

DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

Federal Funds

ACCELERATING ACHIEVEMENT AND ENSURING EQUITY

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0900–0–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Grants to local educational agencies	14,490	14,548	10,841
0002 School improvement grants	534	1,069	.....
0003 Striving readers	160	161	.....
0004 State agency programs	444	454	.....
0005 Evaluation	3	3	.....
0006 Special programs for migrant students	37	37	.....
0007 High school graduation initiative	49	49	.....
0900 Total new obligations	15,717	16,321	10,841
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	543	549	.....
1021 Recoveries of prior year unpaid obligations	1	.....	.....
1050 Unobligated balance (total)	544	549	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	4,910	4,931	.....
1130 Appropriations permanently reduced	–9	.....	.....
1160 Appropriation, discretionary (total)	4,901	4,931	.....
Advance appropriations, discretionary:			
1170 Advance appropriation	10,841	10,841	10,841
1173 Advance appropriations permanently reduced	–20	.....	.....
1180 Advanced appropriation, discretionary (total)	10,821	10,841	10,841
1900 Budget authority (total)	15,722	15,772	10,841
1930 Total budgetary resources available	16,266	16,321	10,841
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	549	.....	.....
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	12,788	11,373	10,271
3010 Obligations incurred, unexpired accounts	15,717	16,321	10,841
3011 Obligations incurred, expired accounts	1	.....	.....
3020 Outlays (gross)	–17,112	–17,423	–16,488
3040 Recoveries of prior year unpaid obligations, unexpired	–1	.....	.....
3041 Recoveries of prior year unpaid obligations, expired	–20	.....	.....
3050 Unpaid obligations, end of year	11,373	10,271	4,624
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	12,788	11,373	10,271
3200 Obligated balance, end of year	11,373	10,271	4,624
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	15,722	15,772	10,841
Outlays, gross:			
4010 Outlays from new discretionary authority	7,545	8,826	8,456
4011 Outlays from discretionary balances	9,567	8,597	8,032
4020 Outlays, gross (total)	17,112	17,423	16,488
4180 Budget authority, net (total)	15,722	15,772	10,841
4190 Outlays, net (total)	17,112	17,423	16,488

Summary of Budget Authority and Outlays (in millions of dollars)

	2012 actual	2013 CR	2014 est.
Enacted/requested:			
Budget Authority	15,722	15,772	10,841
Outlays	17,112	17,423	16,488
Legislative proposal, not subject to PAYGO:			
Budget Authority .....	.....	.....	4,002

Outlays .....	.....	.....	80
Total:			
Budget Authority	15,722	15,772	14,843
Outlays	17,112	17,423	16,568

SUMMARY OF PROGRAM LEVEL

(in millions of dollars)

	2012–2013 Academic Year	2013–2014 Academic Year	2014–2015 Academic Year
New Budget Authority	\$4,900	\$4,931	\$4,002
Advance appropriation	10,841	10,841	11,682
Total program level	15,741	15,772	15,684
Change in advance appropriation from the previous year	0	0	+841 ¹

¹To account for the Administration's ESEA reauthorization proposal, the 2014 Budget eliminates the \$1.7 billion advance appropriation that was previously in the Education Improvement Programs account and replaces it with corresponding increases to advance appropriations in the Accelerating Achievement and Ensuring Equity account (\$841 million) and the Special Education account (\$841 million). Total advance appropriations in the Department of Education remain \$22.6 billion.

The Administration is proposing legislation reauthorizing programs included in the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91–0900–0–1–501	2012 actual	2013 CR	2014 est.
Direct obligations:			
25.1 Advisory and assistance services	5	6	.....
25.2 Other services from non-Federal sources	23	29	.....
41.0 Grants, subsidies, and contributions	15,689	16,286	10,841
99.9 Total new obligations	15,717	16,321	10,841

ACCELERATING ACHIEVEMENT AND ENSURING EQUITY

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0900–2–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Grants to local educational agencies	2,835
0002 School turnaround grants	659
0003 State agency programs	443
0004 Homeless children and youth education	65
0900 Total new obligations	4,002
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	4,002
1160 Appropriation, discretionary (total)	4,002
1900 Budget authority (total)	4,002
1930 Total budgetary resources available	4,002
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts	4,002
3020 Outlays (gross)	–80
3050 Unpaid obligations, end of year	3,922
Memorandum (non-add) entries:			
3200 Obligated balance, end of year	3,922
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	4,002

ACCELERATING ACHIEVEMENT AND ENSURING EQUITY—Continued
Program and Financing—Continued

Identification code 91–0900–2–1–501	2012 actual	2013 CR	2014 est.
Outlays, gross:			
4010 Outlays from new discretionary authority			80
4180 Budget authority, net (total)			4,002
4190 Outlays, net (total)			80

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

College- and career-ready students (formerly Grants to local educational agencies).—Funds would be allocated via formula for programs that provide academic support to help students in high-poverty schools meet college- and career-ready standards. States would assess annually all students in certain grades in at least English language arts and mathematics, and use the results of these assessments to measure local educational agency (LEA) and school progress in ensuring that all students are meeting, or are on track to meet, college- and career-ready standards; to inform families about whether their children are meeting or are on track to meet such standards; and to develop appropriate improvement and support strategies for schools and LEAs. States would establish systems for differentiating among schools and LEAs on the basis of performance, including recognition and rewards for highly effective schools and LEAs, the implementation of rigorous school intervention models in the lowest-achieving schools, and State-approved, research-based interventions in low-performing schools that are not serving their students well.

School turnaround grants.—Funds would primarily support formula grants to States to help LEAs turn around their lowest-achieving schools by implementing rigorous school intervention models. In general, such schools would rank in the bottom five percent of performance in their States based on proficiency rates and lack of progress or, in the case of high schools, have a graduation rate below 60 percent. Once States have served their lowest-achieving schools, funds could be used for other school improvement and support efforts in eligible schools. Funds also would support competitive grants to LEAs to build local capacity to support school turnaround efforts and sustain successful turnarounds following the end of the grant period.

State agency migrant program.—Funds would support formula grants to States for educational services to children of migratory farmworkers and fishers, with resources and services focused on children who have moved within the past 36 months.

State agency neglected and delinquent children and youth education program.—Funds would support formula grants to States for educational services to neglected or delinquent children and youth in State-run institutions, attending community day programs, and in other correctional facilities.

Homeless children and youth education.—Funds would support formula grants to States to provide educational and support services that enable homeless children and youth to attend and achieve success in school.

Object Classification (in millions of dollars)

Identification code 91–0900–2–1–501	2012 actual	2013 CR	2014 est.
Direct obligations:			
25.1 Advisory and assistance services			5
25.2 Other services from non-Federal sources			23
41.0 Grants, subsidies, and contributions			3,974

99.9	Total new obligations	4,002
------	-----------------------------	-------

SCHOOL READINESS

For carrying out activities authorized by part D of title V of the Elementary and Secondary Education Act of 1965, \$750,000,000 for a preschool development grants program: Provided, That the Secretary shall make competitive grants to States to carry out activities that support high-quality preschool programs for children from families at or below 200 percent of the Federal poverty line: Provided further: That the Secretary may permit or require States to subgrant a portion of grant funds to local educational agencies, or local educational agencies in partnership with other early learning providers, for the implementation of high-quality preschool programs for children from families at or below 200 percent of the Federal poverty line: Provided further, That up to 5 percent of such funds for competitive grants shall be available for national activities.

Program and Financing (in millions of dollars)

Identification code 91–0015–0–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Preschool development grants			750
0900 Total new obligations (object class 41.0)			750
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			750
1160 Appropriation, discretionary (total)			750
1930 Total budgetary resources available			750
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			750
3020 Outlays (gross)			–38
3050 Unpaid obligations, end of year			712
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			712
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			750
Outlays, gross:			
4010 Outlays from new discretionary authority			38
4180 Budget authority, net (total)			750
4190 Outlays, net (total)			38

Summary of Budget Authority and Outlays (in millions of dollars)

	2012 actual	2013 CR	2014 est.
Enacted/requested:			
Budget Authority			750
Outlays			38
Legislative proposal, subject to PAYGO:			
Budget Authority			1,300
Outlays			130
Total:			
Budget Authority			2,050
Outlays			168

Preschool development grants.—Funds would support grants to States to carry out the activities needed to ensure that every State willing to commit to expanding preschool access has the high-quality programs required to successfully serve four-year-old children. The Department would provide competitive grants to States with preschool systems at various stages of development that are planning to provide universal access to high-quality

preschool for four-year-old children from low and moderate income families.

SCHOOL READINESS
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0015–4–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Preschool for all			1,300
0900 Total new obligations (object class 41.0)			1,300
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation			1,300
1260 Appropriations, mandatory (total)			1,300
1930 Total budgetary resources available			1,300
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			1,300
3020 Outlays (gross)			–130
3050 Unpaid obligations, end of year			1,170
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			1,170
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			1,300
Outlays, gross:			
4100 Outlays from new mandatory authority			130
4180 Budget authority, net (total)			1,300
4190 Outlays, net (total)			130

Preschool for all.—Funds would support grants to States for the implementation of high-quality preschool programs that are aligned with elementary and secondary education systems. The Department would share costs with States to provide universal access to high-quality preschool for children from low and moderate income families and provide incentives for States to serve additional children from middle-class families.

IMPACT AID

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0102–0–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Basic support payments	1,154	1,161	
0002 Payments for children with disabilities	48	49	
0091 Direct program activities, subtotal	1,202	1,210	
0101 Facilities maintenance	6	5	4
0201 Construction		17	17
0301 Payments for Federal property	67	67	
0900 Total new obligations (object class 41.0)	1,275	1,299	21
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	4	21	21
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,294	1,299	
1130 Appropriations permanently reduced	–2		
1160 Appropriation, discretionary (total)	1,292	1,299	
1930 Total budgetary resources available	1,296	1,320	21

Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	21	21	

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	484	454	323
3010 Obligations incurred, unexpired accounts	1,275	1,299	21
3011 Obligations incurred, expired accounts	440		
3020 Outlays (gross)	–1,305	–1,430	–221
3041 Recoveries of prior year unpaid obligations, expired	–440		
3050 Unpaid obligations, end of year	454	323	123
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	484	454	323
3200 Obligated balance, end of year	454	323	123

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	1,292	1,299	
Outlays, gross:			
4010 Outlays from new discretionary authority	1,048	1,151	
4011 Outlays from discretionary balances	257	279	221
4020 Outlays, gross (total)	1,305	1,430	221
4180 Budget authority, net (total)	1,292	1,299	
4190 Outlays, net (total)	1,305	1,430	221

Summary of Budget Authority and Outlays (in millions of dollars)

	2012 actual	2013 CR	2014 est.
Enacted/requested:			
Budget Authority	1,292	1,299	
Outlays	1,305	1,430	221
Legislative proposal, not subject to PAYGO:			
Budget Authority			1,224
Outlays			1,084
Total:			
Budget Authority	1,292	1,299	1,224
Outlays	1,305	1,430	1,305

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

IMPACT AID

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0102–2–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Basic support payments			1,154
0002 Payments for children with disabilities			48
0091 Direct program activities, subtotal			1,202
0101 Facilities maintenance			5
0201 Construction			17
0900 Total new obligations (object class 41.0)			1,224
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			1,224
1160 Appropriation, discretionary (total)			1,224
1930 Total budgetary resources available			1,224
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			1,224
3020 Outlays (gross)			–1,084
3050 Unpaid obligations, end of year			140
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			140

IMPACT AID—Continued
Program and Financing—Continued

Identification code 91–0102–2–1–501	2012 actual	2013 CR	2014 est.
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			1,224
Outlays, gross:			
4010 Outlays from new discretionary authority			1,084
4180 Budget authority, net (total)			1,224
4190 Outlays, net (total)			1,084

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

Impact Aid helps to replace the lost local revenue that would otherwise be available to educate federally connected children. The presence of certain students living on Federal property, such as students who are military dependents or who reside on Indian lands, can place a financial burden on local educational agencies (LEAs) that educate them. The property on which the children live and their parents work is exempt from local property taxes, denying local educational agencies access to the primary source of revenue used by most communities to finance education.

Basic support payments.—Payments will be made on behalf of approximately 950,000 federally connected students enrolled in about 1,200 LEAs to assist them in meeting their operation and maintenance costs. Average per-student payments will be approximately \$1,200.

Payments for children with disabilities.—Payments in addition to those provided under the Individuals with Disabilities Education Act (IDEA) will be provided on behalf of approximately 55,000 federally connected students with disabilities in about 900 LEAs. Average per-student payments will be approximately \$900.

Facilities maintenance.—Funds will be used to provide emergency repairs for school facilities that serve military dependents and are owned by the Department of Education. Funds will also be used to transfer the facilities to LEAs.

Construction.—Approximately 12 construction grants will be awarded competitively to the highest-need Impact Aid LEAs for emergency repairs and modernization of school facilities.

EDUCATION IMPROVEMENT PROGRAMS

For carrying out school improvement activities authorized by section 203 of the Educational Technical Assistance Act of 2002; the Compact of Free Association Amendments Act of 2003; and the Civil Rights Act of 1964, \$75,694,000, of which \$51,113,000 shall be available to carry out section 203 of the Educational Technical Assistance Act of 2002: Provided, That \$17,619,000 shall be available to carry out the Supplemental Education Grants program for the Federated States of Micronesia and the Republic of the Marshall Islands: Provided further, That the Secretary of Education may reserve up to 5 percent of the amount referred to in the previous proviso to provide technical assistance in the implementation of the Supplemental Education Grants program.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–1000–0–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Improving teacher quality State grants	2,450	2,473	1,730
0002 Mathematics and science partnerships	148	152	
0003 21st century community learning centers	1,150	1,173	
0004 State assessments	389	403	

0005 Education for homeless children and youth	65	66	
0006 Education for Native Hawaiians	34	34	
0007 Alaska Native education equity	33	33	
0008 Training and advisory services	7	7	7
0009 Rural education	179	180	
0010 Supplemental education grants	18	18	18
0011 Comprehensive centers	51	51	51
0012 Project SERV	1	1	
0900 Total new obligations	4,525	4,591	1,806

Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	62	79	50
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	2,869	2,881	76
1130 Appropriations permanently reduced	–5		
1160 Appropriation, discretionary (total)	2,864	2,881	76
Advance appropriations, discretionary:			
1170 Advance appropriation	1,681	1,681	1,681
1173 Advance appropriations permanently reduced	–3		
1180 Advanced appropriation, discretionary (total)	1,678	1,681	1,681
1900 Budget authority (total)	4,542	4,562	1,757
1930 Total budgetary resources available	4,604	4,641	1,807
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	79	50	1

Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	5,568	5,103	5,045
3010 Obligations incurred, unexpired accounts	4,525	4,591	1,806
3020 Outlays (gross)	–4,950	–4,649	–4,496
3041 Recoveries of prior year unpaid obligations, expired	–40		
3050 Unpaid obligations, end of year	5,103	5,045	2,355
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	5,568	5,103	5,045
3200 Obligated balance, end of year	5,103	5,045	2,355

Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	4,542	4,562	1,757
Outlays, gross:			
4010 Outlays from new discretionary authority	880	1,093	1,011
4011 Outlays from discretionary balances	4,070	3,556	3,485
4020 Outlays, gross (total)	4,950	4,649	4,496
4180 Budget authority, net (total)	4,542	4,562	1,757
4190 Outlays, net (total)	4,950	4,649	4,496

Summary of Budget Authority and Outlays (in millions of dollars)

	2012 actual	2013 CR	2014 est.
Enacted/requested:			
Budget Authority	4,542	4,562	1,757
Outlays	4,950	4,649	4,496
Legislative proposal, not subject to PAYGO:			
Budget Authority			1,000
Outlays			20
Total:			
Budget Authority	4,542	4,562	2,757
Outlays	4,950	4,649	4,516

SUMMARY OF PROGRAM LEVEL

(in millions of dollars)

	2012–2013 Academic Year	2013–2014 Academic Year	2014–2015 Academic Year
New Budget Authority	\$2,863	\$2,881	\$1,076
Advance Appropriation	1,681	1,681	0
Total program level	4,544	4,562	1,076
Change in advance appropriation over previous year	+3	0	–1681 ¹

¹To account for the Administration's ESEA reauthorization proposal, the 2014 Budget eliminates the \$1.7 billion advance appropriation that was previously in the School Improvement Programs account (renamed the Education Improvement Programs account) and replaces it with corresponding increases to advance appropriations in the Education for the Disadvantaged account (\$841 million, renamed the Accelerating Achievement and Ensuring Equity account) and the Special Education account (\$841 million). Total advance appropriations in the Department of Education remain \$22.6 billion.

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Training and advisory services.—Funds support grants to regional equity assistance centers that provide technical assistance to local educational agencies (LEAs) in addressing educational equity related to issues of race, gender, and national origin.

Supplemental education grants.—Funds support grants to the Federated States of Micronesia and to the Republic of the Marshall Islands in place of grant programs in which those Freely Associated States no longer participate pursuant to the Compact of Free Association Amendments Act of 2003.

Comprehensive centers.—Funds support at least 22 comprehensive centers that focus on building State capacity to help school districts and schools meet the requirements of the ESEA.

Object Classification (in millions of dollars)

Identification code 91–1000–0–1–501	2012 actual	2013 CR	2014 est.
Direct obligations:			
25.1 Advisory and assistance services	3	54	.....
25.2 Other services from non-Federal sources	20	25	2
25.7 Operation and maintenance of equipment	2	148	.....
41.0 Grants, subsidies, and contributions	4,500	4,364	1,804
99.9 Total new obligations	4,525	4,591	1,806

EDUCATION IMPROVEMENT PROGRAMS

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–1000–2–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Effective teaching and learning for a complete education	263
0003 College pathways and accelerated learning	102
0004 Assessing achievement	389
0005 Rural education	179
0006 Native Hawaiian student education	34
0007 Alaska Native student education	33
0900 Total new obligations	1,000

Budgetary Resources:

Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	.....	.....	1,000
1160 Appropriation, discretionary (total) .....	.....	.....	1,000
1930 Total budgetary resources available .....	.....	.....	1,000

Change in obligated balance:

Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....	.....	.....	1,000
3020 Outlays (gross) .....	.....	.....	–20
3050 Unpaid obligations, end of year .....	.....	.....	980
Memorandum (non-add) entries:			
3200 Obligated balance, end of year .....	.....	.....	980

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross .....	.....	.....	1,000
Outlays, gross:			
4010 Outlays from new discretionary authority .....	.....	.....	20
4180 Budget authority, net (total) .....	.....	.....	1,000
4190 Outlays, net (total) .....	.....	.....	20

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

Effective teaching and learning: literacy.—Funds would support competitive grants to States to support the development and implementation of comprehensive State and local efforts to provide high-quality literacy programs, aligned with college- and career-ready English-language arts standards, for students from preschool through grade 12.

Effective teaching and learning for a well-rounded education.—Funds would support competitive grants to States and high-need LEAs to develop and expand innovative practices to improve teaching and learning in the arts, health education, foreign languages, civics and government, history, geography, environmental education, economics, financial literacy, and other subjects.

College pathways and accelerated learning.—Funds would support competitive grants to high-need LEAs for programs that prepare students to enter and succeed in college by providing college-level and other accelerated courses and instruction in middle and high schools as well as accelerated learning opportunities in elementary schools.

Assessing achievement.—Funds would support formula and competitive grants to States to develop and implement assessments that are aligned with college- and career-ready academic standards.

Rural education.—Funds would support formula grants under two programs: the Small, Rural School Achievement program and the Rural and Low-Income School program. The Small, Rural School Achievement program provides rural LEAs with small enrollments with additional formula funds. Funds under the Rural and Low-Income School program, which targets rural LEAs that serve concentrations of poor students, are allocated by formula to States, which in turn allocate funds to eligible LEAs.

Native Hawaiian student education.—Funds would support competitive grants to public and private entities to develop or operate innovative projects that enhance the educational services provided to Native Hawaiian children and adults.

Alaska Native student education.—Funds would support competitive grants to LEAs and other public and private organizations to develop or operate innovative projects that enhance the educational services provided to Alaska Native children and adults.

Object Classification (in millions of dollars)

Identification code 91–1000–2–1–501	2012 actual	2013 CR	2014 est.
Direct obligations:			
25.1 Advisory and assistance services	22
25.2 Other services from non-Federal sources	2
41.0 Grants, subsidies, and contributions	976
99.9 Total new obligations	1,000

SUPPORTING STUDENT SUCCESS

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0203–0–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Safe and drug-free schools and communities national activities	66	71	.....
0002 Elementary and secondary school counseling	52	53	.....

SUPPORTING STUDENT SUCCESS—Continued
Program and Financing—Continued

Identification code 91–0203–0–1–501		2012 actual	2013 CR	2014 est.
0003	Physical education program	79	79	.....
0004	Promise neighborhoods	30	62	58
0500	Direct program activities, subtotal	227	265	58
0799	Total direct obligations	227	265	58
0803	Reimbursable program activity	6	2	.....
0900	Total new obligations	233	267	58
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	37	65	58
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	256	258	.....
1160	Appropriation, discretionary (total)	256	258	.....
Spending authority from offsetting collections, discretionary:				
1700	Collected	7	2	.....
1701	Change in uncollected payments, Federal sources	–2	.....	.....
1750	Spending auth from offsetting collections, disc (total)	5	2	.....
1900	Budget authority (total)	261	260	.....
1930	Total budgetary resources available	298	325	58
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	65	58	.....
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	641	483	354
3010	Obligations incurred, unexpired accounts	233	267	58
3020	Outlays (gross)	–370	–396	–279
3041	Recoveries of prior year unpaid obligations, expired	–21	.....	.....
3050	Unpaid obligations, end of year	483	354	133
Uncollected payments:				
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	–2	.....	.....
3070	Change in uncollected pymts, Fed sources, unexpired	2	.....	.....
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	639	483	354
3200	Obligated balance, end of year	483	354	133
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	261	260	.....
Outlays, gross:				
4010	Outlays from new discretionary authority	1	5	.....
4011	Outlays from discretionary balances	369	391	279
4020	Outlays, gross (total)	370	396	279
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	–7	–2	.....
Additional offsets against gross budget authority only:				
4050	Change in uncollected pymts, Fed sources, unexpired	2	.....	.....
4070	Budget authority, net (discretionary)	256	258	.....
4080	Outlays, net (discretionary)	363	394	279
4180	Budget authority, net (total)	256	258	.....
4190	Outlays, net (total)	363	394	279

Summary of Budget Authority and Outlays (in millions of dollars)

		2012 actual	2013 CR	2014 est.
Enacted/requested:				
Budget Authority		256	258	.....
Outlays		363	394	279
Legislative proposal, not subject to PAYGO:				
Budget Authority .....		.....	.....	1,832
Outlays .....		.....	.....	37
Total:				
Budget Authority		256	258	1,832
Outlays		363	394	316

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA ac-

counts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91–0203–0–1–501		2012 actual	2013 CR	2014 est.
Direct obligations:				
25.1	Advisory and assistance services	2	7	.....
25.2	Other services from non-Federal sources	3	11	.....
25.3	Other goods and services from Federal sources .....	.....	1	.....
41.0	Grants, subsidies, and contributions	223	246	58
99.0	Direct obligations	228	265	58
99.0	Reimbursable obligations	5	2	.....
99.9	Total new obligations	233	267	58

SUPPORTING STUDENT SUCCESS
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0203–2–1–501		2012 actual	2013 CR	2014 est.
Obligations by program activity:				
0001	Promise neighborhoods .....	.....	.....	300
0002	Successful, safe, and healthy students .....	.....	.....	280
0003	21st Century community learning centers .....	.....	.....	1,252
0500	Direct program activities, subtotal .....	.....	.....	1,832
0900	Total new obligations .....	.....	.....	1,832
Budgetary Resources:				
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	.....	.....	1,832
1160	Appropriation, discretionary (total) .....	.....	.....	1,832
1930	Total budgetary resources available .....	.....	.....	1,832
Change in obligated balance:				
Unpaid obligations:				
3010	Obligations incurred, unexpired accounts .....	.....	.....	1,832
3020	Outlays (gross) .....	.....	.....	–37
3050	Unpaid obligations, end of year .....	.....	.....	1,795
Memorandum (non-add) entries:				
3200	Obligated balance, end of year .....	.....	.....	1,795
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross .....	.....	.....	1,832
Outlays, gross:				
4010	Outlays from new discretionary authority .....	.....	.....	37
4180	Budget authority, net (total) .....	.....	.....	1,832
4190	Outlays, net (total) .....	.....	.....	37

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

Promise neighborhoods.—Funds would support competitive grants and other activities for projects designed to improve significantly the educational and developmental outcomes of children within the Nation's most distressed communities, with the goal of transforming those communities so that all children in the community have access to a cradle-through-college-to-career continuum of academic programs and community supports, including effective schools and services. Promise Neighborhoods is also a central component of the Administration's new Promise Zones—high-poverty communities where the Federal government will engage more directly with local leaders to break down barriers and help them access the resources and expertise they need to create jobs, leverage private investment, increase economic activity, reduce violence, and expand educational opportunities.

Successful, safe, and healthy students.—Funds would support competitive grants and other activities to assist States, local educational agencies (LEAs), and partnerships between LEAs and non-profit organizations or local government entities in improving school climate; reducing or preventing drug use, violence, bullying, or harassment; and promoting and supporting the physical and mental well-being of students so that schools are safe, healthy, and drug-free environments. Funds would also support a variety of school safety initiatives that are proposed in the President's plan to protect our children and our communities by reducing gun violence, including efforts to improve school emergency plans, create positive school climates, and counter the effects of pervasive violence on students.

21st century community learning centers.—Funds would support competitive grants to States, LEAs, non-profit organizations, or local governmental entities for projects that provide the additional time, support, and enrichment activities needed to improve student achievement, including projects that support expanding learning time by significantly increasing the number of hours in a regular school schedule and by comprehensively redesigning the school schedule for all students in a school. Projects could also provide teachers the time they need to collaborate, plan, and engage in professional development within and across grades and subjects. The additional funds requested in fiscal year 2014 reflect the Administration's commitment to increasing this program's support for State and local efforts to implement high-quality expanded learning time.

Object Classification (in millions of dollars)

Identification code 91-0203-2-1-501	2012 actual	2013 CR	2014 est.
Direct obligations:			
25.1 Advisory and assistance services			14
25.2 Other services from non-Federal sources			22
25.3 Other goods and services from Federal sources			2
41.0 Grants, subsidies, and contributions			1,794
99.9 Total new obligations			1,832

INDIAN STUDENT EDUCATION

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91-0101-0-1-501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Grants to local educational agencies	106	107	
0002 Special programs for Indian children	19	19	
0003 National activities	6	6	
0900 Total new obligations	131	132	
Budgetary Resources:			
Budget authority:			
1100 Appropriations, discretionary:			
Appropriation	131	132	
1160 Appropriation, discretionary (total)	131	132	
1930 Total budgetary resources available	131	132	
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	134	140	153
3010 Obligations incurred, unexpired accounts	131	132	
3020 Outlays (gross)	-123	-119	-124
3041 Recoveries of prior year unpaid obligations, expired	-2		

3050 Unpaid obligations, end of year	140	153	29
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	134	140	153
3200 Obligated balance, end of year	140	153	29

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	131	132	
Outlays, gross:			
4010 Outlays from new discretionary authority	2	7	
4011 Outlays from discretionary balances	121	112	124
4020 Outlays, gross (total)	123	119	124
4180 Budget authority, net (total)	131	132	
4190 Outlays, net (total)	123	119	124

Summary of Budget Authority and Outlays (in millions of dollars)

	2012 actual	2013 CR	2014 est.
Enacted/requested:			
Budget Authority	131	132	
Outlays	123	119	124
Legislative proposal, not subject to PAYGO:			
Budget Authority			131
Outlays			7
Total:			
Budget Authority	131	132	131
Outlays	123	119	131

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91-0101-0-1-501	2012 actual	2013 CR	2014 est.
Direct obligations:			
25.2 Other services from non-Federal sources	5	6	
41.0 Grants, subsidies, and contributions	126	126	
99.9 Total new obligations	131	132	

INDIAN STUDENT EDUCATION

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-0101-2-1-501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Grants to local educational agencies			106
0002 Special programs for Indian children			19
0003 National activities			6
0900 Total new obligations			131
Budgetary Resources:			
Budget authority:			
1100 Appropriations, discretionary:			
Appropriation			131
1160 Appropriation, discretionary (total)			131
1930 Total budgetary resources available			131
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			131
3020 Outlays (gross)			-7
3050 Unpaid obligations, end of year			124
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			124
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			131

INDIAN STUDENT EDUCATION—Continued
Program and Financing—Continued

Identification code 91–0101–2–1–501	2012 actual	2013 CR	2014 est.
Outlays, gross:			
4010 Outlays from new discretionary authority			7
4180 Budget authority, net (total)			131
4190 Outlays, net (total)			7

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

The Indian Education programs support the efforts of local educational agencies (LEA) and tribal schools to improve teaching and learning for the Nation's American Indian and Alaska Native children.

Grants to local educational agencies.—Formula grants support LEAs in their efforts to reform elementary and secondary school programs that serve Indian students, with the goal of ensuring that such programs assist participating students in meeting the same academic standards as all other students.

Special programs for Indian children.—Funds support competitive awards for demonstration projects in early childhood education and college preparation, as well as professional development grants for training Native American teachers and administrators for employment in school districts with concentrations of Indian students.

National activities.—Funds support research, evaluation, data collection, and related activities.

Object Classification (in millions of dollars)

Identification code 91–0101–2–1–501	2012 actual	2013 CR	2014 est.
Direct obligations:			
25.2 Other services from non-Federal sources			6
41.0 Grants, subsidies, and contributions			125
99.9 Total new obligations			131

AMERICAN JOBS ACT

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0702–4–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Teacher stabilization		12,500	
0900 Total new obligations (object class 41.0)		12,500	
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation		12,500	
1260 Appropriations, mandatory (total)		12,500	
1930 Total budgetary resources available		12,500	
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1			11,875
3010 Obligations incurred, unexpired accounts		12,500	
3020 Outlays (gross)		–625	–11,875
3050 Unpaid obligations, end of year		11,875	
Memorandum (non-add) entries:			
3100 Obligated balance, start of year			11,875
3200 Obligated balance, end of year		11,875	
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross		12,500	

Outlays, gross:			
4100 Outlays from new mandatory authority		625	
4101 Outlays from mandatory balances			11,875
4110 Outlays, gross (total)		625	11,875
4180 Budget authority, net (total)		12,500	
4190 Outlays, net (total)		625	11,875

Teacher stabilization.—Funds would support formula grants to States to retain, rehire, and hire early childhood, elementary, and secondary educators, including teachers, guidance counselors, classroom assistants, after-school personnel, tutors, and literacy and math coaches.

EDUCATION JOBS FUND

Program and Financing (in millions of dollars)

Identification code 91–0012–0–1–501	2012 actual	2013 CR	2014 est.
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	3,713	229	
3020 Outlays (gross)	–3,484	–229	
3050 Unpaid obligations, end of year	229		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	3,713	229	
3200 Obligated balance, end of year	229		
Budget authority and outlays, net:			
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances	3,484	229	
4190 Outlays, net (total)	3,484	229	

Amounts in the schedule reflect balances that are spending out from a prior-year appropriation.

STATE FISCAL STABILIZATION FUND, RECOVERY ACT

Program and Financing (in millions of dollars)

Identification code 91–1909–0–1–999	2012 actual	2013 CR	2014 est.
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	5,456	3,865	2,000
3020 Outlays (gross)	–1,591	–1,865	–1,000
3050 Unpaid obligations, end of year	3,865	2,000	1,000
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	5,456	3,865	2,000
3200 Obligated balance, end of year	3,865	2,000	1,000
Budget authority and outlays, net:			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances	1,591	1,865	1,000
4190 Outlays, net (total)	1,591	1,865	1,000

Amounts in this schedule reflect balances that are spending out from a prior-year appropriation.

OFFICE OF INNOVATION AND IMPROVEMENT
Federal Funds

INNOVATION AND INSTRUCTIONAL TEAMS

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0204–0–1–501		2012 actual	2013 CR	2014 est.
Obligations by program activity:				
0001	Race to the top	704	552	545
0002	Investing in innovation	153	150	144
0003	Teacher incentive fund	299	301	.....
0004	Transition to teaching	26	26	.....
0005	School leadership	29	29	.....
0006	Charter schools grants	244	248	.....
0007	Credit enhancement for charter school facilities	11	8	.....
0008	Magnet schools assistance	97	100	.....
0009	Advanced placement	30	27	.....
0010	Ready-to-learn television	27	27	.....
0011	FIE programs of national significance	41	41	.....
0012	Arts in education	25	25	.....
0100	Total direct program	1,686	1,534	689
0799	Total direct obligations	1,686	1,534	689
0801	Reimbursable program activity	22	100	52
0900	Total new obligations	1,708	1,634	741
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	847	726	689
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	1,530	1,537	.....
1130	Appropriations permanently reduced	–3	.....	.....
1160	Appropriation, discretionary (total)	1,527	1,537	.....
Spending authority from offsetting collections, discretionary:				
1700	Collected	60	60	52
1750	Spending auth from offsetting collections, disc (total)	60	60	52
1900	Budget authority (total)	1,587	1,597	52
1930	Total budgetary resources available	2,434	2,323	741
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	726	689	.....
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	2,216	2,909	2,938
3010	Obligations incurred, unexpired accounts	1,708	1,634	741
3020	Outlays (gross)	–956	–1,605	–2,196
3041	Recoveries of prior year unpaid obligations, expired	–59	.....	.....
3050	Unpaid obligations, end of year	2,909	2,938	1,483
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	2,216	2,909	2,938
3200	Obligated balance, end of year	2,909	2,938	1,483
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	1,587	1,597	52
Outlays, gross:				
4010	Outlays from new discretionary authority	5	79	3
4011	Outlays from discretionary balances	951	1,526	2,193
4020	Outlays, gross (total)	956	1,605	2,196
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4033	Non-Federal sources	–60	–60	–52
4180	Budget authority, net (total)	1,527	1,537	.....
4190	Outlays, net (total)	896	1,545	2,144

Summary of Budget Authority and Outlays (in millions of dollars)

		2012 actual	2013 CR	2014 est.
Enacted/requested:				
Budget Authority		1,527	1,537	.....
Outlays		896	1,545	2,144
Legislative proposal, not subject to PAYGO:				
Budget Authority .....		.....	.....	5,335
Outlays .....		.....	.....	267
Legislative proposal, subject to PAYGO:				
Budget Authority .....		.....	5,000	.....
Outlays .....		.....	100	2,650
Total:				
Budget Authority		1,527	6,537	5,335
Outlays		896	1,645	5,061

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including the programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91–0204–0–1–501		2012 actual	2013 CR	2014 est.
Direct obligations:				
25.1	Advisory and assistance services	4	38	.....
25.2	Other services from non-Federal sources	26	26	.....
25.5	Research and development contracts	3	4	.....
41.0	Grants, subsidies, and contributions	1,653	1,466	689
99.0	Direct obligations	1,686	1,534	689
99.0	Reimbursable obligations	22	100	52
99.9	Total new obligations	1,708	1,634	741

INNOVATION AND INSTRUCTIONAL TEAMS
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0204–2–1–501		2012 actual	2013 CR	2014 est.
Obligations by program activity:				
0001	Race to the top .....	.....	.....	1,000
0002	Investing in innovation .....	.....	.....	215
0003	Science, technology, engineering, and mathematics (STEM) innovation .....	.....	.....	415
0004	High school transformation .....	.....	.....	300
0005	Effective teachers and leaders State grants .....	.....	.....	2,466
0006	School leadership .....	.....	.....	98
0007	Teacher and leader innovation fund .....	.....	.....	400
0008	Expanding educational options .....	.....	.....	295
0009	Magnet schools assistance .....	.....	.....	100
0010	FIE programs of national significance .....	.....	.....	46
0100	Total direct program .....	.....	.....	5,335
0900	Total new obligations .....	.....	.....	5,335
Budgetary Resources:				
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	.....	.....	5,335
1160	Appropriation, discretionary (total) .....	.....	.....	5,335
1930	Total budgetary resources available .....	.....	.....	5,335
Change in obligated balance:				
Unpaid obligations:				
3010	Obligations incurred, unexpired accounts .....	.....	.....	5,335
3020	Outlays (gross) .....	.....	.....	–267
3050	Unpaid obligations, end of year .....	.....	.....	5,068
Memorandum (non-add) entries:				
3200	Obligated balance, end of year .....	.....	.....	5,068
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross .....	.....	.....	5,335
Outlays, gross:				
4010	Outlays from new discretionary authority .....	.....	.....	267
4180	Budget authority, net (total) .....	.....	.....	5,335
4190	Outlays, net (total) .....	.....	.....	267

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

Race to the top.—Funds would support a College Affordability and Completion initiative that would provide grants to States demonstrating a commitment to undertake reforms in the following key areas: sustaining fiscal support for higher education while modernizing funding policies to constrain costs and improve

INNOVATION AND INSTRUCTIONAL TEAMS—Continued

outcomes; removing barriers preventing the creation of innovative methods of student learning and degree pathways; empowering consumer choice through increased transparency; and smoothing transitions into college and between institutions of higher education.

Investing in innovation.—Funds would support grants to local educational agencies (LEAs) or to nonprofit organizations in consortium with one or more schools or LEAs to develop and expand innovative strategies and practices that have been shown to be effective in improving educational outcomes for students. A portion of the funds would be used to launch the Advanced Research Projects Agency—Education, which would pursue breakthrough developments in educational technologies and other strategies for raising achievement.

STEM innovation networks.—Funds would support competitive grants to consortia of LEAs in partnership with institutions of higher education, businesses, science agencies, or other entities. These public-private partnerships would harness local, regional, and national resources to transform STEM teaching and learning by implementing innovative evidence-based practices that improve teacher recruitment, preparation, and professional development and student engagement. Funds would also support a STEM Master Teacher Corps, and a STEM Virtual Learning Network, a robust online community to inform and guide the field in adopting the most effective practices for improving teaching and learning.

Effective teaching and learning: science, technology, engineering, and mathematics (STEM).—Funds would support grants to States to implement comprehensive strategies to improve the teaching and learning of STEM subjects.

High school transformation.—Funds would support competitive grants to transform teaching and learning in high schools by encouraging partnerships among LEAs, postsecondary institutions, businesses, and non-profits to prepare students for college and career. Grantees would leverage new and existing federal, state, and local resources to create learning models that are rigorous, relevant, and better focused on real-world experiences while incorporating personalized learning, work- and project-based learning, and career and college exploration.

Effective teachers and leaders State grants.—Funds would support formula grants to States and LEAs to promote and enhance the teaching profession; recruit, prepare, develop, reward, and retain effective and highly effective teachers, principals, and other school leaders and foster excellent instructional teams, especially in high-need LEAs, schools, fields, and subjects; ensure the equitable distribution of effective and highly effective teachers and principals; increase the effectiveness of teachers and principals; strengthen teacher and principal evaluation systems; ensure that teachers have the knowledge, skills, data, support, and collaborative opportunities needed to be effective in the classroom; and improve the management of the education workforce in States and LEAs. The Department would reserve up to 25 percent of the appropriation for this program to build evidence on how to best recruit, train, and support effective teachers and school leaders and invest in efforts to enhance the teaching and leadership professions.

School leadership.—Funds would support competitive grants to States, high-need LEAs, nonprofit organizations, and institutions of higher education, to assist high-need LEAs in recruiting and training principals (including assistant principals) through such activities as professional development programs in leading the transition to college- and career-ready standards, evaluating

and providing feedback to teachers, developing school leadership teams, and creating a positive school climate.

Teacher and leader innovation fund.—Funds would support competitive grants to States and LEAs willing to implement bold approaches to improving the effectiveness of the education workforce in high-need schools and districts by creating the conditions needed to identify, reward, retain, and advance effective teachers, principals, and school leadership teams in those schools, and enabling schools to build the strongest teams possible.

Expanding educational options.—Funds would support competitive grants to States, charter school authorizers, charter management organizations, LEAs, and other nonprofit organizations to start or expand high-performing charter and other autonomous public schools in high-need areas.

Magnet schools assistance.—Funds would support competitive grants to LEAs to establish and operate magnet school programs that are part of an approved desegregation plan.

Fund for the improvement of education: programs of national significance.—Funds would support nationally significant projects to improve the quality of elementary and secondary education, including an interagency initiative to strengthen services provided to disconnected youth and continuation of efforts to improve the quality, analysis, and reporting of elementary and secondary education performance data. Funds would also go towards a joint evidence-based math initiative with the National Science Foundation.

Object Classification (in millions of dollars)

Identification code 91-0204-2-1-501	2012 actual	2013 CR	2014 est.
Direct obligations:			
25.1 Advisory and assistance services			40
25.2 Other services from non-Federal sources			672
25.5 Research and development contracts			4
41.0 Grants, subsidies, and contributions			4,619
99.9 Total new obligations			5,335

INNOVATION AND INSTRUCTIONAL TEAMS
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-0204-4-1-501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Recognizing educational success, professional excellence, and collaborative teaching (RESPECT)		5,000	
0100 Total direct program		5,000	
0900 Total new obligations (object class 41.0)		5,000	
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation		5,000	
1260 Appropriations, mandatory (total)		5,000	
1930 Total budgetary resources available		5,000	
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1			4,900
3010 Obligations incurred, unexpired accounts		5,000	
3020 Outlays (gross)		-100	-2,650
3050 Unpaid obligations, end of year		4,900	2,250
Memorandum (non-add) entries:			
3100 Obligated balance, start of year			4,900
3200 Obligated balance, end of year		4,900	2,250
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross		5,000	

Outlays, gross:			
4100	Outlays from new mandatory authority	100	
4101	Outlays from mandatory balances		2,650
4110	Outlays, gross (total)	100	2,650
4180	Budget authority, net (total)	5,000	
4190	Outlays, net (total)	100	2,650

Recognizing educational success, professional excellence, and collaborative teaching (RESPECT).—Funds would support reforms at each stage of the teaching profession.

OFFICE OF ENGLISH LANGUAGE ACQUISITION Federal Funds

ENGLISH LEARNER EDUCATION

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–1300–0–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 English language acquisition grants	726	742	10
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	8	15	10
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	734	737	
1130 Appropriations permanently reduced	–1		
1160 Appropriation, discretionary (total)	733	737	
1930 Total budgetary resources available	741	752	10
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	15	10	
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	1,040	1,035	1,013
3010 Obligations incurred, unexpired accounts	726	742	10
3020 Outlays (gross)	–727	–764	–728
3041 Recoveries of prior year unpaid obligations, expired	–4		
3050 Unpaid obligations, end of year	1,035	1,013	295
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	1,040	1,035	1,013
3200 Obligated balance, end of year	1,035	1,013	295
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	733	737	
Outlays, gross:			
4010 Outlays from new discretionary authority	7	7	
4011 Outlays from discretionary balances	720	757	728
4020 Outlays, gross (total)	727	764	728
4180 Budget authority, net (total)	733	737	
4190 Outlays, net (total)	727	764	728

Summary of Budget Authority and Outlays (in millions of dollars)

	2012 actual	2013 CR	2014 est.
Enacted/requested:			
Budget Authority	733	737	
Outlays	727	764	728
Legislative proposal, not subject to PAYGO:			
Budget Authority			732
Outlays			7
Total:			
Budget Authority	733	737	732
Outlays	727	764	735

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including

programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91–1300–0–1–501	2012 actual	2013 CR	2014 est.
Direct obligations:			
25.1 Advisory and assistance services	1	4	
25.2 Other services from non-Federal sources	2	2	
25.7 Operation and maintenance of equipment	1		
41.0 Grants, subsidies, and contributions	722	736	10
99.9 Total new obligations	726	742	10

ENGLISH LEARNER EDUCATION

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–1300–2–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 English language acquisition grants			732
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			732
1160 Appropriation, discretionary (total)			732
1930 Total budgetary resources available			732
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			732
3020 Outlays (gross)			–7
3050 Unpaid obligations, end of year			725
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			725
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			732
Outlays, gross:			
4010 Outlays from new discretionary authority			7
4180 Budget authority, net (total)			732
4190 Outlays, net (total)			7

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

Language acquisition State grants.—This program provides formula grants to States to improve services for English Learners. States are accountable for demonstrating that English Learners are making progress toward proficiency in English and meeting the same high State academic standards as all other students. Funds also support national activities, including professional development, evaluation, a national information clearinghouse on English language acquisition, and technical assistance to grantees and funding for demonstration projects to replicate proven practices.

Object Classification (in millions of dollars)

Identification code 91–1300–2–1–501	2012 actual	2013 CR	2014 est.
Direct obligations:			
25.1 Advisory and assistance services			3
25.2 Other services from non-Federal sources			2
41.0 Grants, subsidies, and contributions			727

ENGLISH LEARNER EDUCATION—Continued
Object Classification—Continued

Identification code 91–1300–2–1–501	2012 actual	2013 CR	2014 est.
99.9 Total new obligations			732

OFFICE OF SPECIAL EDUCATION AND
REHABILITATIVE SERVICES

Federal Funds

SPECIAL EDUCATION

For carrying out the Individuals with Disabilities Education Act ("IDEA") and the Special Olympics Sport and Empowerment Act of 2004, \$12,657,307,000, of which \$2,289,108,000 shall become available on July 1, 2014, and shall remain available through September 30, 2015, and of which \$10,124,103,000 shall become available on October 1, 2014, and shall remain available through September 30, 2015, for academic year 2014–2015: Provided, That the amount for section 611(b)(2) of the IDEA shall be equal to the lesser of the amount available for that activity during fiscal year 2013, increased by the amount of inflation as specified in section 619(d)(2)(B) of the IDEA, or the percent change in the funds appropriated under section 611(i) of the IDEA, but not less than the amount for that activity during fiscal year 2013: Provided further, That the Secretary shall, without regard to section 611(d) of the IDEA, distribute to all other States (as that term is defined in section 611(g)(2)), subject to the third proviso, any amount by which a State's allocation under section 611(d), from funds appropriated under this heading, is reduced under section 612(a)(18)(B), according to the following: 85 percent on the basis of the States' relative populations of children aged 3 through 21 who are of the same age as children with disabilities for whom the State ensures the availability of a free appropriate public education under this part, and 15 percent to States on the basis of the States' relative populations of those children who are living in poverty: Provided further, That the Secretary may not distribute any funds under the previous proviso to any State whose reduction in allocation from funds appropriated under this heading made funds available for such a distribution: Provided further, That the States shall allocate such funds distributed under the second proviso to local educational agencies in accordance with section 611(f): Provided further, That the amount by which a State's allocation under section 611(d) of the IDEA is reduced under section 612(a)(18)(B) and the amounts distributed to States under the previous provisos in fiscal year 2012 or any subsequent year shall not be considered in calculating the awards under section 611(d) for fiscal year 2013 or for any subsequent fiscal years: Provided further, that the Secretary may, notwithstanding section 643(e)(1) of the IDEA, reserve up to \$2,710,000 of the amount provided under section 644 for incentive grants to States to carry out section 635(c): Provided further, that funds made available for the Special Olympics Sport and Empowerment Act of 2004 may be used to support expenses associated with the Special Olympics National and World Games: Provided further, That the funds reserved under section 611(c) may be used to provide technical assistance to States to improve the capacity of the States to meet the data collection requirements of sections 616 and 618 and to administer and carry out other services and activities to improve data collection, coordination, quality, and use under Parts B and C of the IDEA: Provided further, That the level of effort a local educational agency must meet under section 613(a)(2)(A)(iii) of the IDEA, in the year after it fails to maintain effort is the level of effort that would have been required in the absence of that failure and not the LEA's reduced level of expenditures: Provided further, That the Secretary may use funds made available for the State Personnel Development Grants program under Part D, subpart 1 of IDEA to evaluate program performance.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0300–0–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Grants to States	10,868	11,615	10,737
0002 Preschool grants	373	375	372
0003 Grants for infants and families	364	523	462
0091 Subtotal, State grants	11,605	12,513	11,571
0101 State personnel development	44	44	45
0102 Technical assistance and dissemination	55	55	47
0103 Personnel preparation	88	89	86
0104 Parent information centers	29	29	29
0105 Technology and media services	30	30	30
0191 Subtotal, National activities	246	247	237
0200 Total Direct Program	11,851	12,760	11,808
0201 Special Olympics education programs			8
0203 PROMISE: Promoting Readiness of Minors in SSI		4	
0291 Direct program activities, subtotal		4	8
0900 Total new obligations	11,851	12,764	11,816
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	20	103	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	3,364	3,378	2,533
1130 Appropriations permanently reduced	–6		
1160 Appropriation, discretionary (total)	3,358	3,378	2,533
Advance appropriations, discretionary:			
1170 Advance appropriation (Advance appropriated in previous year)	8,592	9,283	9,283
1173 Advance appropriations permanently reduced	–16		
1180 Advanced appropriation, discretionary (total)	8,576	9,283	9,283
1900 Budget authority (total)	11,934	12,661	11,816
1930 Total budgetary resources available	11,954	12,764	11,816
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	103		
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	8,634	6,946	6,577
3010 Obligations incurred, unexpired accounts	11,851	12,764	11,816
3011 Obligations incurred, expired accounts	3		
3020 Outlays (gross)	–13,530	–13,133	–13,204
3041 Recoveries of prior year unpaid obligations, expired	–12		
3050 Unpaid obligations, end of year	6,946	6,577	5,189
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	8,634	6,946	6,577
3200 Obligated balance, end of year	6,946	6,577	5,189
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	11,934	12,661	11,816
Outlays, gross:			
4010 Outlays from new discretionary authority	5,648	7,620	7,621
4011 Outlays from discretionary balances	7,882	5,513	5,583
4020 Outlays, gross (total)	13,530	13,133	13,204
4180 Budget authority, net (total)	11,934	12,661	11,816
4190 Outlays, net (total)	13,530	13,133	13,204

SUMMARY OF GRANTS TO STATES PROGRAM LEVEL

	[in millions of dollars]		
	2012–2013 Academic Year	2013–2014 Academic Year	2014–2015 Academic Year
Current Budget Authority	\$2,295	\$2,309	\$1,454
Advance appropriation	9,283	9,283	10,124
Total program level	11,578	11,592	11,578
Change in advance appropriation from the previous year	707	0	841 ¹

¹To account for the Administration's ESEA reauthorization proposal, the 2014 Budget eliminates the \$1.7 billion advance appropriation that was previously in the School Improvement Programs account (renamed the Education Improvement Programs account) and replaces it with corresponding increases to advance appropriations in the Education for the Disadvantaged (\$841 million, renamed the Accelerating Achievement and Ensuring Equity account) and Special

Education (\$841 million) accounts. Total advance appropriations in the Department of Education remain the same at \$22.6 billion.

State Grants:

Grants to States.—Formula grants are provided to States to assist them in providing special education and related services to children with disabilities ages 3 through 21.

Preschool grants.—Formula grants provide additional funds to States to further assist them in providing special education and related services to children with disabilities ages 3 through 5 served under the Grants to States program.

The goal of both of these programs is to improve results for children with disabilities by assisting State and local educational agencies to provide children with disabilities with access to high quality education that will help them meet challenging standards and prepare them for employment and independent living.

Grants for infants and families.—Formula grants are provided to assist States to implement statewide systems of coordinated, comprehensive, multi-disciplinary interagency programs to provide early intervention services to children with disabilities, birth through age 2, and their families.

The goal of this program is to help States provide a comprehensive system of early intervention services that will enhance child and family outcomes.

National activities.—These activities include personnel preparation and development, technical assistance, and other activities to support State efforts to improve results for children with disabilities under the State Grants programs.

The goal of National Activities is to link States, school systems, and families to best practices to improve results for infants, toddlers, and children with disabilities.

Special Olympics education programs.—This program funds activities that promote the expansion of the Special Olympics and the design and implementation of Special Olympics education programs.

Performance data related to program goals include:

	2008–2009 actual	2009–2010 actual	2010–2011 actual
Status of Exiting Students			
Percent / number of students with disabilities aged 14–21 exiting special education:			
Graduated with a diploma	35.7% / 247,299	37.9% / 256,102	39.7% / 255,801
Graduated through certification	8.9% / 61,508	8.9% / 60,001	9.2% / 58,946
Transferred to regular education	9.6% / 66,364	9.9% / 66,920	9.5% / 61,243
Dropped out of school/not known to continue	13.2% / 91,318	12.8% / 86,327	12.6% / 80,927
Moved, but known to have continued in education	31.6% / 219,020	29.6% / 199,899	28.1% / 181,618
Reached maximum age for services/other .....	.9% / 6,112	.8% / 5,071	.8% / 5,245
Total	100% / 691,621	100% / 674,320	100% / 643,780

Note—Percentages may not add to 100% due to rounding.

Note—Previous versions of this table did not contain the categories "Transferred to regular education" and "Moved, but known to have continued in education." The Department of Education revised its data collection forms to include these additional items, which track additional students with disabilities ages 14 and older who leave special education, and are mutually exclusive with other categories included in this table. Because this is the case, the percentages reported in this table are not comparable with percentages reported in the same table in previous years.

Object Classification (in millions of dollars)

Identification code 91–0300–0–1–501	2012 actual	2013 CR	2014 est.
Direct obligations:			
25.2 Other services from non-Federal sources	5	5	5
25.3 Other goods and services from Federal sources	2	2	2
41.0 Grants, subsidies, and contributions	11,846	12,757	11,811
99.9 Total new obligations	11,851	12,764	11,816

REHABILITATION SERVICES AND DISABILITY RESEARCH

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Assistive Technology Act of 1998, and the Helen Keller National Center Act, \$3,655,577,000, of which \$3,302,053,000 shall be for grants for vocational rehabilitation services under Title I of the Rehabilitation Act: Provided, That funds available for the Vocational Rehabilitation State Grants program may be used to pay the continuation costs of grants awarded under section 304 of the Rehabilitation Act: Provided further, That no State's allocation under the Vocational Rehabilitation State Grants program shall be less than the total amount allocated to the State in fiscal year 2013 under sections 110(a) and 622(a) of the Rehabilitation Act: Provided further, That section 302(g)(3) of the Rehabilitation Act shall not apply to funds provided under section 302 of such Act: Provided further, That the Secretary may use amounts provided in this Act that remain available subsequent to the reallocation of funds to States pursuant to section 110(b) of the Rehabilitation Act for innovative activities aimed at improving the outcomes of individuals with disabilities as defined in section 7(20)(B) of the Rehabilitation Act, including activities aimed at improving the education and post-school outcomes of children receiving Supplemental Security Income (SSI) and their families that may result in long-term improvement in the SSI child recipient's economic status and self-sufficiency: Provided further, That States may award subgrants for a portion of the funds to other public and private, non-profit entities: Provided further, That any funds made available subsequent to reallocation for innovative activities aimed at improving the outcomes of individuals with disabilities shall remain available until September 30, 2015: Provided further, That not to exceed \$20,000,000 of the amounts made available in the fourth proviso may be used for performance-based awards for Pay for Success projects: Provided further, That, with respect to the previous proviso, any funds obligated for such projects shall remain available for disbursement until expended, notwithstanding 31 U.S.C. 1552(a): Provided further, That, with respect to the sixth proviso, any deobligated funds from such projects shall immediately be available for programs authorized under the Rehabilitation Act.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0301–0–1–506	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Vocational rehabilitation State grants	3,027	3,231	3,302
0002 Client assistance State grants	12	13	12
0003 Supported employment State grants	29	29	.....
0004 Migrant and seasonal farmworkers	1	1	.....
0005 Training	36	36	30
0006 Demonstration and training programs	5	5	6
0007 Independent living	137	138	137
0008 Protection and advocacy of individual rights	18	18	18
0009 National Institute on Disability and Rehabilitation Research	109	109	110
0011 Helen Keller National Center	9	9	9
0012 Assistive technology	33	33	31
0013 PROMISE .....	.....	95	.....
0100 Total direct program	3,416	3,717	3,655
0799 Total direct obligations	3,416	3,717	3,655
0801 Reimbursable program	2	2	2
0900 Total new obligations	3,418	3,719	3,657
Budgetary Resources:			
Unobligated balance:			
1012 Unobligated balance transfers between expired and unexpired accounts .....	.....	95	.....
1050 Unobligated balance (total) .....	.....	95	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	390	391	353
1130 Appropriations permanently reduced	–1	.....	.....
1160 Appropriation, discretionary (total)	389	391	353
Appropriations, mandatory:			
1200 Appropriation	3,122	3,231	3,302

REHABILITATION SERVICES AND DISABILITY RESEARCH—Continued
Program and Financing—Continued

Identification code 91–0301–0–1–506		2012 actual	2013 CR	2014 est.
1260	Appropriations, mandatory (total)	3,122	3,231	3,302
	Spending authority from offsetting collections, discretionary:			
1700	Collected	2	2	2
1750	Spending auth from offsetting collections, disc (total)	2	2	2
1900	Budget authority (total)	3,513	3,624	3,657
1930	Total budgetary resources available	3,513	3,719	3,657
	Memorandum (non-add) entries:			
1940	Unobligated balance expiring	–95		
Change in obligated balance:				
	Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1	2,336	2,364	2,129
3010	Obligations incurred, unexpired accounts	3,418	3,719	3,657
3011	Obligations incurred, expired accounts	2		
3020	Outlays (gross)	–3,377	–3,954	–4,174
3041	Recoveries of prior year unpaid obligations, expired	–15		
3050	Unpaid obligations, end of year	2,364	2,129	1,612
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year	2,336	2,364	2,129
3200	Obligated balance, end of year	2,364	2,129	1,612
Budget authority and outlays, net:				
	Discretionary:			
4000	Budget authority, gross	391	393	355
	Outlays, gross:			
4010	Outlays from new discretionary authority	85	247	223
4011	Outlays from discretionary balances	375	342	188
4020	Outlays, gross (total)	460	589	411
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4030	Federal sources	–2	–2	–2
	Mandatory:			
4090	Budget authority, gross	3,122	3,231	3,302
	Outlays, gross:			
4100	Outlays from new mandatory authority	1,387	2,036	2,080
4101	Outlays from mandatory balances	1,530	1,329	1,683
4110	Outlays, gross (total)	2,917	3,365	3,763
4180	Budget authority, net (total)	3,511	3,622	3,655
4190	Outlays, net (total)	3,375	3,952	4,172

Vocational rehabilitation State grants.—The basic State grants program provides Federal matching funds to State vocational rehabilitation (VR) agencies to assist individuals with physical or mental impairments to become gainfully employed. Services are tailored to the specific needs of the individual. Priority is given to serving those with the most significant disabilities. Current law requires that between 1.0 percent and 1.5 percent of the funds appropriated for the VR State grants program be set aside for Grants for Indians.

The program performance measures for this program are based on State VR agency performance indicators developed pursuant to Section 106 of the Rehabilitation Act. One of these indicators measures the percentage of general and combined State VR agencies that assist at least 55.8 percent of individuals receiving services to achieve an employment outcome. In 2011, 54 percent of the agencies met this performance criterion. Another indicator measures the percentage of general and combined State VR agencies that assist at least 85 percent of individuals with employment outcomes to achieve competitive employment. In 2011, 93 percent of general and combined agencies met this performance criterion. These outcome data are based on the approximately 330,570 individuals whose service records were closed in 2011 after receiving services.

The request for the VR State Grants program includes the CPIU adjustment specified in the authorizing statute, which would more than offset the reduction in funds resulting from the Administration's proposal to eliminate separate funding authorities for the smaller VR-related programs under the Rehabilitation Act

in order to reduce duplication of effort and administrative costs, streamline program administration at the Federal and local level, and improve efficiency and accountability. The FY 2014 request also includes language that would allow the Secretary to use amounts provided in this Act for the VR State Grants program that remain available subsequent to the reallocation of funds to States pursuant to section 110(b) of the Rehabilitation Act to support innovative activities aimed at improving outcomes for individuals with disabilities, including activities under the Promoting Readiness of Minors in Supplemental Security Income (PROMISE) program. A portion of these funds may be used for Pay for Success bonds to engage social investors, the Federal Government, and a State or local community to collaboratively finance effective interventions.

Client assistance State grants.—Formula grants are made to States to provide assistance in informing and advising clients and applicants about benefits available under the Rehabilitation Act and, if requested, to pursue legal or administrative remedies to ensure the protection of the rights of individuals with disabilities.

Training.—Grants are made to States and public or nonprofit agencies and organizations, including institutions of higher education, to increase the number of skilled personnel available for employment in the field of rehabilitation and to upgrade the skills of those already employed. The Administration's proposal would eliminate funds currently provided to State VR agencies to support in-service training for agency personnel under section 302(g)(3) of the Training program (\$5.327 million) as these agencies are able to use VR State Grant funds for training State agency personnel. This proposal would eliminate the administrative costs involved in making small grants each year to State VR agencies under the Training program and improve the efficiency of training delivered under the Rehabilitation Act.

Demonstration and training programs.—Competitive grants and contracts are awarded to expand and improve the provision and effectiveness of programs and services authorized under the Rehabilitation Act or further the purposes of the Act in promoting the employment and independence of individuals with disabilities in the community. Funds are used to support model demonstrations, technical assistance, and projects designed to improve program performance and the delivery of vocational rehabilitation and independent living services.

Independent living.—Grants are awarded to States and consumer-controlled nonprofit organizations to assist individuals with significant disabilities in their achievement of self-determined independent living goals. Grants are also awarded to provide support services to older blind individuals to increase their ability to care for their own needs.

Protection and advocacy of individual rights.—Formula grants are made to State protection and advocacy systems to protect the legal and human rights of individuals with disabilities.

National institute on disability and rehabilitation research.—The Institute carries out a comprehensive and coordinated program of rehabilitation research and related activities. Through grants and contracts, it supports the conduct and dissemination of research and development aimed at improving the lives of individuals with disabilities. The Institute also promotes the development and utilization of new technologies to assist these individuals in achieving greater independence and integration into society. Funds would also be used to conduct rigorous evaluations of programs and activities authorized under the Rehabilitation Act.

Helen Keller national center for deaf blind youths and adults.—The Center provides services to deaf-blind youths and

adults and provides training and technical assistance to professional and allied personnel at its national headquarters center and through its regional representatives and affiliate agencies.

Assistive technology.—Assistive Technology (AT) programs support AT State formula grants to implement comprehensive Statewide programs designed to maximize the ability of individuals with disabilities of all ages to obtain assistive technology. States conduct activities that include alternative financing programs, device reutilization programs, device loan programs, and device demonstrations. Formula grants are also provided under the AT Protection and Advocacy program to systems established under the Developmental Disabilities Assistance and Bill of Rights Act for protection and advocacy services to assist individuals with disabilities of all ages. Funds also support national technical assistance activities for these formula grant programs.

Object Classification (in millions of dollars)

Identification code 91–0301–0–1–506	2012 actual	2013 CR	2014 est.
Direct obligations:			
25.1 Advisory and assistance services	8	6	6
25.2 Other services from non-Federal sources		1	1
25.3 Other goods and services from Federal sources	1		
41.0 Grants, subsidies, and contributions	3,407	3,710	3,648
99.0 Direct obligations	3,416	3,717	3,655
99.0 Reimbursable obligations	2	2	2
99.9 Total new obligations	3,418	3,719	3,657

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, \$24,505,000.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0600–0–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 American printing house for the blind	25	25	25
0900 Total new obligations (object class 41.0)	25	25	25
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	25	25	25
1160 Appropriation, discretionary (total)	25	25	25
1930 Total budgetary resources available	25	25	25
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	7	7	2
3010 Obligations incurred, unexpired accounts	25	25	25
3020 Outlays (gross)	–25	–30	–26
3050 Unpaid obligations, end of year	7	2	1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	7	7	2
3200 Obligated balance, end of year	7	2	1
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	25	25	25
Outlays, gross:			
4010 Outlays from new discretionary authority	18	24	24
4011 Outlays from discretionary balances	7	6	2
4020 Outlays, gross (total)	25	30	26
4180 Budget authority, net (total)	25	25	25

4190 Outlays, net (total)	25	30	26
---------------------------------	----	----	----

The Federal appropriation supports: the production and distribution of free educational materials for students below the college level who are blind, research related to developing and improving products, and advisory services to consumer organizations on the availability and use of materials. In 2012, the portion of the Federal appropriation allocated to educational materials represented approximately 70 percent of the Printing House's total sales. The full 2012 appropriation represented approximately 86 percent of the Printing House's total budget.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For the National Technical Institute for the Deaf under titles I and II of the Education of the Deaf Act of 1986, \$65,422,000, of which \$2,000,000, to remain available until expended, shall be for construction: Provided, That from the total amount available, the Institute may at its discretion use funds for the endowment program as authorized under section 207 of such Act.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0601–0–1–502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Operations	65	67	63
0002 Construction			2
0900 Total new obligations (object class 41.0)	65	67	65
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1		1	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	66	66	65
1160 Appropriation, discretionary (total)	66	66	65
1930 Total budgetary resources available	66	67	65
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1		
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts	65	67	65
3020 Outlays (gross)	–65	–67	–63
3050 Unpaid obligations, end of year			2
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			2
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	66	66	65
Outlays, gross:			
4010 Outlays from new discretionary authority	65	66	63
4011 Outlays from discretionary balances		1	
4020 Outlays, gross (total)	65	67	63
4180 Budget authority, net (total)	66	66	65
4190 Outlays, net (total)	65	67	63

This residential program provides postsecondary technical and professional education for people who are deaf to prepare them for employment, provides training, and conducts applied research into employment-related aspects of deafness. In 2012, the Federal appropriation represented approximately 70 percent of the Institute's operating budget. The 2014 request includes funds for the support of a deferred maintenance account. The 2014 request

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF—Continued
also includes funds that may be used for the Endowment Grant program.

GALLAUDET UNIVERSITY

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and the partial support of Gallaudet University under titles I and II of the Education of the Deaf Act of 1986, \$117,541,000: Provided, That from the total amount available, the University may at its discretion use funds for the endowment program as authorized under section 207 of such Act.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0602–0–1–502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Operations	118	118	118
0002 Construction	8	8	.....
0900 Total new obligations (object class 41.0)	126	126	118
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	126	126	118
1160 Appropriation, discretionary (total)	126	126	118
1930 Total budgetary resources available	126	126	118
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	9	17	13
3010 Obligations incurred, unexpired accounts	126	126	118
3020 Outlays (gross)	–118	–130	–125
3050 Unpaid obligations, end of year	17	13	6
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	9	17	13
3200 Obligated balance, end of year	17	13	6
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	126	126	118
Outlays, gross:			
4010 Outlays from new discretionary authority	117	119	118
4011 Outlays from discretionary balances	1	11	7
4020 Outlays, gross (total)	118	130	125
4180 Budget authority, net (total)	126	126	118
4190 Outlays, net (total)	118	130	125

This institution provides undergraduate, continuing education, and graduate programs related to deafness for students who are deaf and hard of hearing. The University also conducts basic and applied research and provides public service programs for persons who are deaf and persons who work with them.

Gallaudet operates the Laurent Clerc National Deaf Education Center, which includes two elementary and secondary education programs on the main campus of the University. The Kendall Demonstration Elementary School serves students who are deaf from infancy through age 15, and the Model Secondary School for the Deaf (MSSD) serves high school age students who are deaf. The Clerc Center also develops and disseminates information on effective educational techniques and strategies for teachers and professionals working with students who are deaf or hard of hearing.

In 2012, the appropriation for Gallaudet represented approximately 68 percent of total revenue for the University. Approximately 25 percent of the Federal appropriation was used to support

activities at the Clerc Center, which received nearly 100 percent of its revenue through the appropriation. In addition, the University receives other Federal funds such as student financial aid, vocational rehabilitation, Endowment Grant program income, and competitive grants and contracts. The 2014 request includes funds that may be used for the Endowment Grant program.

OFFICE OF VOCATIONAL AND ADULT EDUCATION

Federal Funds

CAREER, TECHNICAL, AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, the Adult Education and Family Literacy Act (referred to in this Act as the "AEFLA"), \$609,295,000, which shall become available on July 1, 2014, and shall remain available through September 30, 2015: Provided, That of the amount provided for Adult Education State Grants, \$74,709,000 shall be made available for integrated English literacy and civics education services to immigrants and other limited-English-proficient populations: Provided further, That of the amount reserved for integrated English literacy and civics education, notwithstanding section 211 of the AEFLA, 65 percent shall be allocated to States based on a State's absolute need as determined by calculating each State's share of a 10-year average of the United States Citizenship and Immigration Services data for immigrants admitted for legal permanent residence for the 10 most recent years, and 35 percent allocated to States that experienced growth as measured by the average of the 3 most recent years for which United States Citizenship and Immigration Services data for immigrants admitted for legal permanent residence are available, except that no State shall be allocated an amount less than \$60,000: Provided further, That, of the amounts made available for AEFLA, \$14,302,000 shall be for national leadership activities under section 243.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0400–0–1–501	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
Career and technical education:			
0001 State grants	1,122	1,125	791
0002 National programs	8	8	.....
0091 Total, Career and technical education	1,130	1,133	791
Adult education:			
0101 State grants	595	599	595
0102 National leadership activities	11	11	14
0191 Total, adult education	606	610	609
0900 Total new obligations	1,736	1,743	1,400
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	31	31	31
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	948	952	609
1130 Appropriations permanently reduced	–2	.....	.....
1160 Appropriation, discretionary (total)	946	952	609
Advance appropriations, discretionary:			
1170 Advance appropriation from prior year	791	791	791
1173 Advance appropriations permanently reduced	–1	.....	.....
1180 Advanced appropriation, discretionary (total)	790	791	791
Spending authority from offsetting collections, discretionary:			
1700 Collected	1	.....	.....
1701 Change in uncollected payments, Federal sources	–1	.....	.....
1900 Budget authority (total)	1,736	1,743	1,400
1930 Total budgetary resources available	1,767	1,774	1,431
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	31	31	31

Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	1,607	1,470	1,444
3010	Obligations incurred, unexpired accounts	1,736	1,743	1,400
3011	Obligations incurred, expired accounts	5		
3020	Outlays (gross)	-1,867	-1,769	-1,462
3041	Recoveries of prior year unpaid obligations, expired	-11		
3050	Unpaid obligations, end of year	1,470	1,444	1,382
Uncollected payments:				
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	-1		
3070	Change in uncollected pymts, Fed sources, unexpired	1		
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	1,606	1,470	1,444
3200	Obligated balance, end of year	1,470	1,444	1,382

Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	1,736	1,743	1,400
Outlays, gross:				
4010	Outlays from new discretionary authority	590	624	599
4011	Outlays from discretionary balances	1,277	1,145	863
4020	Outlays, gross (total)	1,867	1,769	1,462
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-1		
Additional offsets against gross budget authority only:				
4050	Change in uncollected pymts, Fed sources, unexpired	1		
4070	Budget authority, net (discretionary)	1,736	1,743	1,400
4080	Outlays, net (discretionary)	1,866	1,769	1,462
4180	Budget authority, net (total)	1,736	1,743	1,400
4190	Outlays, net (total)	1,866	1,769	1,462

Summary of Budget Authority and Outlays (in millions of dollars)

	2012 actual	2013 CR	2014 est.
Enacted/requested:			
Budget Authority	1,736	1,743	1,400
Outlays	1,866	1,769	1,462
Legislative proposal, not subject to PAYGO:			
Budget Authority			350
Outlays			18
Total:			
Budget Authority	1,736	1,743	1,750
Outlays	1,866	1,769	1,480

SUMMARY OF PROGRAM LEVEL

	2011-12 Academic Year	2012-13 Academic Year	2013-14 Academic Year
New Budget Authority	\$946	\$952	\$959
Advance Appropriation	790	791	791
Total program level	1,736	1,743	1,750
Change in advance appropriation over previous year	-1	+1	0

The Administration is proposing legislation reauthorizing the Carl D. Perkins Career and Technical Education Act of 2006, including programs in this account. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Adult education:

State programs.—Funds support formula grants to States to help eliminate functional illiteracy among the Nation's adults, to assist adults in obtaining a high school diploma or its equivalent, and to promote family literacy. A portion of the funds is reserved for formula grants to States to provide English literacy and civics education for immigrants and other limited English proficient adults.

National leadership activities.—Funds support discretionary activities to evaluate the effectiveness of Federal, State, and local adult education programs, and to test and demonstrate methods of improving program quality.

Object Classification (in millions of dollars)

Identification code	91-0400-0-1-501	2012 actual	2013 CR	2014 est.
Direct obligations:				
25.1	Advisory and assistance services		2	
25.5	Research and development contracts	15	13	13
41.0	Grants, subsidies, and contributions	1,721	1,728	1,387
99.9	Total new obligations	1,736	1,743	1,400

CAREER, TECHNICAL AND ADULT EDUCATION

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code	91-0400-2-1-501	2012 actual	2013 CR	2014 est.
Obligations by program activity:				
Career and technical education:				
0001	State grants			332
0002	National programs			18
0900	Total new obligations			350
Budgetary Resources:				
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation			350
1160	Appropriation, discretionary (total)			350
1900	Budget authority (total)			350
1930	Total budgetary resources available			350

Change in obligated balance:				
Unpaid obligations:				
3010	Obligations incurred, unexpired accounts			350
3020	Outlays (gross)			-18
3050	Unpaid obligations, end of year			332
Memorandum (non-add) entries:				
3200	Obligated balance, end of year			332
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross			350
Outlays, gross:				
4010	Outlays from new discretionary authority			18
4180	Budget authority, net (total)			350
4190	Outlays, net (total)			18

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Carl D. Perkins Career and Technical Education Act of 2006.

Career and Technical Education:

State grants.—Funds would support formula grants to States for programs that focus on improving the academic achievement and career and technical skills of secondary and postsecondary students. Funds would also support projects to promote innovation in career and technical education.

National programs.—Funds would support discretionary activities to support research, evaluation, data collection, technical assistance, and other national leadership activities aimed at improving the quality and effectiveness of career and technical education.

Object Classification (in millions of dollars)

Identification code	91-0400-2-1-501	2012 actual	2013 CR	2014 est.
Direct obligations:				
25.1	Advisory and assistance services			12
25.5	Research and development contracts			3
41.0	Grants, subsidies, and contributions			335
99.9	Total new obligations			350

OFFICE OF POSTSECONDARY EDUCATION

Federal Funds

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, titles III, IV, V, VI, VII, and VIII of the HEA, the Mutual Educational and Cultural Exchange Act of 1961, and section 117 of the Carl D. Perkins Career and Technical Education Act of 2006, \$2,182,799,000: Provided, That \$67,607,000 shall be used for data collection, evaluation, research, and demonstration activities relating to programs under the HEA, including activities that are designed to test approaches for providing grant, loan, or work assistance under title IV of the HEA in ways that promote access to, and completion of, affordable and high-quality postsecondary education programs: Provided further, That the Secretary may use funds under the preceding proviso for the costs of postsecondary tuition, fees, textbooks, and related costs for students enrolled in postsecondary courses who are participating in evaluation, research, and demonstration activities funded under the preceding proviso: Provided further, That, notwithstanding any other provision of law, funds made available in this Act to carry out title VI of the HEA and section 102(b)(6) of the Mutual Educational and Cultural Exchange Act of 1961 may be used to support visits and study in foreign countries by individuals who are participating in advanced foreign language training and international studies in areas that are vital to United States national security and who plan to apply their language skills and knowledge of these countries in the fields of government, the professions, or international development: Provided further, That, of the funds referred to in the preceding proviso up to 1 percent may be used for program evaluation, national outreach, and information dissemination activities: Provided further, That funds available for part B of title VII may be used for continuation awards authorized under subpart 2 of part D of title VII: Provided further, That up to \$75,000,000 of the funds made available under this Act for part B of title VII may be used: (1) to support projects to develop third-party validation systems that identify competencies, assessments, and curricula for particular fields; or (2) for performance-based awards or other agreements under the Pay for Success program: Provided further, That, with respect to the preceding proviso, any funds obligated for such projects or agreements shall remain available for disbursement until expended, notwithstanding 31 U.S.C. 1552(a), and that any funds deobligated from such projects or agreements shall immediately be available for part B of title VII: Provided further, That, with respect to the second preceding proviso, the Secretary may award funds to the types of entities listed in section 741(a) or any other type of entity that the Secretary identifies in the notice inviting applications for such awards: Provided further, That up to \$100,000,000 of the funds made available under this Act for part B of title VII shall be used for awards to develop, implement, and evaluate interventions to help high school students, particularly from low-income families, successfully transition to and succeed in higher education: Provided further, That, of the amount available under subpart 2 of part A of title VII of the HEA, the Secretary may use up to \$1,485,000 to fund continuation awards for projects originally supported under subpart 1 of part A of title VII of the HEA: Provided further, That up to 1.5 percent of the funds made available under chapter 2 of subpart 2 of part A of title IV may be used for evaluation.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0201–0–1–502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Strengthening institutions	81	81	81
0002 Strengthening tribally controlled colleges and universities	56	56	56
0003 Strengthening Alaska Native and Native Hawaiian-serving institutions	25	28	28
0004 Strengthening historically Black colleges and universities	313	314	313
0005 Strengthening historically Black graduate institutions	59	59	59
0006 Masters degree programs for HBCUs and predominantly Black institutions	12	12	12
0007 Strengthening predominantly Black institutions	24	24	24
0008 Strengthening Asian American and Native American Pacific Islander-serving institutions	8	8	8

0009 Strengthening Native American-serving nontribal institutions	8	8	8
0010 Minority science and engineering improvement	9	10	9
0091 Subtotal, aid for institutional development	595	600	598
0101 Developing Hispanic-serving institutions	100	101	100
0102 Developing Hispanic-serving institution STEM and articulation programs	100	100	100
0103 Promoting baccalaureate opportunities for Hispanic Americans	21	21	21
0104 International education and foreign language studies	74	74	81
0105 Fund for the Improvement of Postsecondary Education	3	4	260
0106 Model transition programs for students with intellectual disabilities into higher education	11	11	.....
0107 Tribally controlled postsecondary vocational and technical institutions	8	8	8
0108 Special programs for migrant students .....	.....	.....	37
0191 Subtotal, other aid for institutions	317	319	607
0201 Federal TRIO programs	840	845	840
0202 Gaining early awareness and readiness for undergraduate programs (GEAR UP)	302	304	302
0204 Javits fellowships	8	.....	.....
0205 Graduate assistance in areas of national need	31	31	31
0208 Child care access means parents in school	16	16	16
0291 Subtotal, assistance for students	1,197	1,196	1,189
0302 Teacher quality partnerships	43	43	.....
0303 GPRA data/HEA program evaluation	1	1	68
0305 College access challenge grants	128	150	150
0391 Subtotal, other higher education activities	172	194	218
0900 Total new obligations	2,281	2,309	2,612

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	10	3	3
1001 Discretionary unobligated balance brought fwd, Oct 1	10	3	.....
1012 Unobligated balance transfers between expired and unexpired accounts	130	137	125
1050 Unobligated balance (total)	140	140	128
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,873	1,881	2,183
1130 Appropriations permanently reduced	–4	.....	.....
1160 Appropriation, discretionary (total)	1,869	1,881	2,183
Appropriations, mandatory:			
1200 Appropriation	428	428	428
1260 Appropriations, mandatory (total)	428	428	428
Spending authority from offsetting collections, discretionary:			
1700 Collected	1	.....	.....
1750 Spending auth from offsetting collections, disc (total)	1	.....	.....
1900 Budget authority (total)	2,298	2,309	2,611
1930 Total budgetary resources available	2,438	2,449	2,739
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	–154	–137	–125
1941 Unexpired unobligated balance, end of year	3	3	2

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	3,461	3,361	3,243
3010 Obligations incurred, unexpired accounts	2,281	2,309	2,612
3011 Obligations incurred, expired accounts	1	.....	.....
3020 Outlays (gross)	–2,346	–2,427	–2,320
3041 Recoveries of prior year unpaid obligations, expired	–36	.....	.....
3050 Unpaid obligations, end of year	3,361	3,243	3,535
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	3,461	3,361	3,243
3200 Obligated balance, end of year	3,361	3,243	3,535

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	1,870	1,881	2,183
Outlays, gross:			
4010 Outlays from new discretionary authority	33	56	65
4011 Outlays from discretionary balances	1,938	1,858	1,816
4020 Outlays, gross (total)	1,971	1,914	1,881
Mandatory:			
4090 Budget authority, gross	428	428	428
Outlays, gross:			
4100 Outlays from new mandatory authority .....	.....	13	13
4101 Outlays from mandatory balances	375	500	426
4110 Outlays, gross (total)	375	513	439

4180	Budget authority, net (total)	2,298	2,309	2,611
4190	Outlays, net (total)	2,346	2,427	2,320

Aid for institutional development:

Strengthening institutions.—Funds support planning and development grants for improving academic programs and financial management at schools that enroll high proportions of disadvantaged students and have low per-student expenditures.

Strengthening tribally controlled colleges and universities.—Discretionary and mandatory funds support grants to American Indian tribally controlled colleges and universities with scarce resources to enable them to improve and expand their capacity to serve students and to strengthen management and fiscal operations.

Strengthening Alaska Native and Native Hawaiian-serving institutions.—Discretionary and mandatory funds support Alaska Native and Native Hawaiian-serving institutions to enable them to improve and expand their capacity to serve students and to strengthen management and fiscal operations.

Strengthening historically Black colleges and universities.—Discretionary and mandatory funds support grants to help historically Black undergraduate institutions to improve and expand their capacity to serve students and to strengthen management and fiscal operations.

Strengthening historically Black graduate institutions.—Funds support grants to help historically Black graduate institutions to improve and expand their capacity to serve students and to strengthen management and fiscal operations.

Master's degree programs at historically Black colleges and universities and predominantly Black institutions.—Mandatory funds support Historically Black Colleges and Universities (HBCUs) and Predominantly Black Institutions (PBIs) to improve and expand their capacity to serve students and to strengthen management and fiscal operations.

Strengthening predominantly Black institutions.—Discretionary and mandatory funds support grants to predominantly Black institutions to improve and expand their capacity to serve students.

Strengthening Asian American and Native American Pacific Islander-serving institutions.—Discretionary and mandatory funds support grants to help Asian American and Native American Pacific Islander-serving institutions improve and expand their capacity to serve students and to strengthen management and fiscal operations.

Strengthening Native American-serving nontribal institutions.—Discretionary and mandatory funds support grants to help Native American-serving nontribal institutions improve and expand their capacity to serve students and to strengthen management and fiscal operations.

Minority science and engineering improvement.—Funds support grants to predominantly minority institutions to help them make long-range improvements in science and engineering education and to increase the participation of minorities in scientific and technological careers.

Aid for Hispanic-serving institutions:

Developing Hispanic-serving institutions.—Funds support Hispanic-serving institutions to help them improve and expand their capacity to serve students.

Developing Hispanic-serving institutions STEM and articulation programs.—Mandatory funds support Hispanic-serving institutions to help them improve and expand their capacity to serve students with priority given to applications that propose to increase the number of Hispanics and other low-income students attaining degrees in the fields of science, technology, engineering, or mathematics; and to develop model transfer and

articulation agreements between 2-year Hispanic-serving institutions and 4-year institutions in such fields.

Promoting postbaccalaureate opportunities for Hispanic Americans.—Discretionary and mandatory funds support Hispanic-serving Institutions to help them expand and improve postbaccalaureate educational opportunities.

Other aid for institutions:

International education and foreign language studies programs.—Funds promote the development and improvement of domestic and overseas international and foreign language programs.

Fund for the improvement of postsecondary education.—Funds would support the First in the World initiative, which would include an evidence-based competition with a priority for projects designed to improve college access and student success. Funds would also support development of third-party validation systems to facilitate competency-based learning in particular fields and Pay for Success awards that provide alternative pathways for postsecondary programs that can demonstrate good student outcomes to receive Federal funding.

Tribally controlled postsecondary career and technical institutions.—Funds support the operation and improvement of eligible tribally controlled postsecondary career institutions to ensure continued and expanded educational opportunities for Indian students.

Special programs for migrant students.—Funds support grants to institutions of higher education and nonprofit organizations that assist migrant students in earning a high school equivalency certificate or in completing their first year of college.

Assistance for students:

Federal TRIO programs.—Funds support postsecondary education outreach and student support services to help individuals from disadvantaged backgrounds prepare for, enter, and complete college and graduate studies.

Gaining early awareness and readiness for undergraduate programs.—Funds support early college preparation and awareness activities at the State and local levels to ensure that low-income elementary and secondary school students are prepared for and pursue postsecondary education.

Graduate assistance in areas of national need.—Funds support fellowships to graduate students of superior ability who have financial need for study in areas of national need and continuation awards for Javits Fellowships to students of superior ability who have financial need and who are pursuing terminal degrees in the arts, humanities, and social sciences.

Child care access means parents in school.—Funds support a program designed to bolster the participation of low-income parents in postsecondary education through the provision of campus-based child care services.

Other activities:

GPRA data / HEA program evaluation.—Funds support data collection and evaluation activities for programs under the Higher Education Act (HEA) of 1965. The request for 2014 includes funds to conduct research and test approaches for providing grant, loan, or work assistance under title IV of the HEA in ways that promote access to, and completion of, affordable and high-quality postsecondary education programs.

College access challenge grants.—Mandatory funds support grants to States to promote activities designed to increase the number of low-income students who are prepared to enter and succeed in postsecondary education.

HIGHER EDUCATION—Continued
Object Classification (in millions of dollars)

Identification code 91–0201–0–1–502	2012 actual	2013 CR	2014 est.
Direct obligations:			
25.1 Advisory and assistance services	3	6	73
25.2 Other services from non-Federal sources	4	5	4
25.3 Other goods and services from Federal sources	1	.....	.....
25.7 Operation and maintenance of equipment	1	1	1
41.0 Grants, subsidies, and contributions	2,272	2,297	2,534
99.9 Total new obligations	2,281	2,309	2,612

HIGHER EDUCATION

(Legislative proposal, subject to PAYGO)

Community college to career fund.—Beginning in 2015, provides \$8 billion (\$4 billion each in the Departments of Labor and Education) over three years to support and evaluate community college-based training programs that build the skills of American workers, with a particular emphasis on initiatives with strong State and community college partnerships with businesses. The Fund will be jointly administered by the Departments of Labor and Education and is the successor to the Trade Adjustment Assistance Community College and Career Training program in the Department of Labor, for which 2014 is the final year of funding.

HOWARD UNIVERSITY

For partial support of Howard University, \$234,064,000, of which not less than \$3,593,000 shall be for a matching endowment grant pursuant to the Howard University Endowment Act and shall remain available until expended.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0603–0–1–502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 General support	206	206	205
0002 Howard University Hospital	29	29	29
0900 Total new obligations (object class 41.0)	235	235	234
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	.....	.....
Budget authority:			
1100 Appropriations, discretionary:			
Appropriation	234	235	234
1160 Appropriation, discretionary (total)	234	235	234
1930 Total budgetary resources available	235	235	234
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	4	5	15
3010 Obligations incurred, unexpired accounts	235	235	234
3020 Outlays (gross)	–234	–225	–234
3050 Unpaid obligations, end of year	5	15	15
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	4	5	15
3200 Obligated balance, end of year	5	15	15
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	234	235	234
Outlays, gross:			
4010 Outlays from new discretionary authority	230	221	220
4011 Outlays from discretionary balances	4	4	14

4020 Outlays, gross (total)	234	225	234
4180 Budget authority, net (total)	234	235	234
4190 Outlays, net (total)	234	225	234

Howard University is a private, nonprofit educational institution consisting of 12 schools and colleges. Federal funds are used to provide partial support for university programs as well as for the teaching hospital facilities. In 2012, Federal funding represented approximately 43 percent of the university's revenue.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

For Federal administrative expenses to carry out activities related to existing facility loans pursuant to section 121 of the HEA, \$459,000.

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

For the cost of guaranteed loans, \$20,150,000 as authorized pursuant to part D of title III of the HEA, which shall remain available through September 30, 2015: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$320,350,000: Provided further, That these funds may be used to support loans to public and private Historically Black Colleges and Universities without regard to the limitations within section 344(a) of the HEA.

In addition, for administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to part D of title III of the HEA, \$352,000.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0241–0–1–502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
Credit program obligations:			
0701 Direct loan subsidy	13	20	10
0703 Subsidy for modifications of direct loans .....	.....	.....	10
0705 Reestimates of direct loan subsidy	10	1	.....
0706 Interest on reestimates of direct loan subsidy	2	.....	.....
0709 Administrative expenses .....	.....	1	1
0715 Other	8	.....	.....
0900 Total new obligations (object class 41.0)	33	22	21
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	21	21	21
1160 Appropriation, discretionary (total)	21	21	21
Appropriations, mandatory:			
1200 Appropriation	12	1	.....
1260 Appropriations, mandatory (total)	12	1	.....
1900 Budget authority (total)	33	22	21
1930 Total budgetary resources available	33	22	21
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	28	35	37
3010 Obligations incurred, unexpired accounts	33	22	21
3020 Outlays (gross)	–26	–20	–19
3050 Unpaid obligations, end of year	35	37	39
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	28	35	37
3200 Obligated balance, end of year	35	37	39
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	21	21	21
Outlays, gross:			
4010 Outlays from new discretionary authority	2	5	5

4011	Outlays from discretionary balances	12	14	14
4020	Outlays, gross (total)	14	19	19
	Mandatory:			
4090	Budget authority, gross	12	1	.....
	Outlays, gross:			
4100	Outlays from new mandatory authority	12	1	.....
4180	Budget authority, net (total)	33	22	21
4190	Outlays, net (total)	26	20	19

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 91-0241-0-1-502	2012 actual	2013 CR	2014 est.
Direct loan levels supportable by subsidy budget authority:			
115002 Historically Black Colleges and Universities	235	318	320
115999 Total direct loan levels	235	318	320
Direct loan subsidy (in percent):			
132002 Historically Black Colleges and Universities	5.50	6.29	3.09
132999 Weighted average subsidy rate	5.50	6.29	3.09
Direct loan subsidy budget authority:			
133002 Historically Black Colleges and Universities	13	20	10
133999 Total subsidy budget authority	13	20	10
Direct loan subsidy outlays:			
134002 Historically Black Colleges and Universities	14	7	11
134999 Total subsidy outlays	14	7	11
Direct loan upward reestimates:			
135002 Historically Black Colleges and Universities	8	1	.....
135003 HBCU Hurricane Supplemental	4	.....	.....
135999 Total upward reestimate budget authority	12	1	.....
Direct loan downward reestimates:			
137001 College housing and academic facilities loans .....	.....	-1	.....
137002 Historically Black Colleges and Universities	-20	-27	.....
137003 HBCU Hurricane Supplemental .....	.....	-171	.....
137999 Total downward reestimate budget authority	-20	-199	.....
Administrative expense data:			
3510 Budget authority	1	1	1

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with the direct loans obligated and loan guarantees committed in 1992 and beyond, as well as any administrative expenses for the College Housing and Academic Facilities Loans Program and the Historically Black College and University Capital Financing Program. The subsidy amounts are estimated on a present value basis; the administrative expenses are on a cash basis. These programs are administered separately but consolidated in the Budget for presentation purposes.

College housing and academic facilities loans program.—Funds for this activity pay the Federal costs of administering the College Housing and Academic Facilities Loans (CHAFL), College Housing Loans (CHL), and Higher Education Facilities Loans (HEFL) programs. Prior to 1994, these programs provided financing for the construction, reconstruction, and renovation of housing, academic, and other educational facilities. Although no new loans have been awarded since 1993, the Department of Education will incur costs for administering the outstanding loans through 2030.

Historically Black college and university capital financing program.—The Historically Black College and University (HBCU) Capital Financing Program provides HBCUs with access to capital financing for the repair, renovation, and construction of classrooms, libraries, laboratories, dormitories, instructional equipment, and research instrumentation. The authorizing statute gives the Department authority to enter into insurance agreements with a private for-profit Designated Bonding Authority. The bonding authority issues the loans and maintains an escrow account in which 5 percent of each institution's principal is deposited. The Budget requests \$20.150 million in new loan subsidies, allowing the program to guarantee an estimated \$320

million in new loans in 2014. The Budget also requests a 2-year period of availability for this loan subsidy. In addition, the Budget requests funds for the Federal costs of administering the program and providing technical assistance activities that improve the financial stability of HBCUs.

Employment Summary

Identification code 91-0241-0-1-502	2012 actual	2013 CR	2014 est.
1001 Direct civilian full-time equivalent employment	4	4	4

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS FINANCING ACCOUNT**Program and Financing** (in millions of dollars)

Identification code 91-4252-0-3-502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
Credit program obligations:			
0713 Payment of interest to Treasury	1	1	1
0743 Interest on downward reestimates .....	.....	1	.....
0900 Total new obligations	1	2	1
Budgetary Resources:			
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	1	2	1
1850 Spending auth from offsetting collections, mand (total)	1	2	1
1930 Total budgetary resources available	1	2	1
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts	1	2	1
3020 Financing disbursements (gross)	-1	-2	-1
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	1	2	1
Financing disbursements:			
4110 Financing disbursements, gross	1	2	1
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources .....	.....	-1	.....
4123 Interest repayments	-1	-1	-1
4130 Offsets against gross financing auth and disbursements (total)	-1	-2	-1

Status of Direct Loans (in millions of dollars)

Identification code 91-4252-0-3-502	2012 actual	2013 CR	2014 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	11	10	10
1251 Repayments: Repayments and prepayments	-1	.....	.....
1290 Outstanding, end of year	10	10	10

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and 1993. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91-4252-0-3-502	2011 actual	2012 actual
ASSETS:		
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	11	10
1405 Allowance for subsidy cost (-)	-1	-2
1499 Net present value of assets related to direct loans	10	8
1999 Total assets	10	8

**COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS FINANCING
ACCOUNT—Continued
Balance Sheet—Continued**

Identification code 91-4252-0-3-502	2011 actual	2012 actual
LIABILITIES:		
2103 Federal liabilities: Debt	10	8
4999 Total liabilities and net position	10	8

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-0242-0-1-502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
Credit program obligations:			
0713 Payment of interest to Treasury	4	4	4
0900 Total new obligations (object class 43.0)	4	4	4
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	8		
1023 Unobligated balances applied to repay debt	-8		
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	1	1	1
1260 Appropriations, mandatory (total)	1	1	1
Spending authority from offsetting collections, mandatory:			
1800 Collected	26	26	26
1820 Capital transfer of spending authority from offsetting collections to general fund	-18	-19	-19
1825 Spending authority from offsetting collections applied to repay debt	-5	-4	-4
1850 Spending auth from offsetting collections, mand (total)	3	3	3
1900 Budget authority (total)	4	4	4
1930 Total budgetary resources available	4	4	4
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts	4	4	4
3020 Outlays (gross)	-4	-4	-4
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	4	4	4
Outlays, gross:			
4100 Outlays from new mandatory authority	4	4	4
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-26	-26	-26
4180 Budget authority, net (total)	-22	-22	-22
4190 Outlays, net (total)	-22	-22	-22

Status of Direct Loans (in millions of dollars)

Identification code 91-0242-0-1-502	2012 actual	2013 CR	2014 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	141	136	132
1251 Repayments: Repayments and prepayments	-5	-4	-4
1290 Outstanding, end of year	136	132	128

As required by the Federal Credit Reform Act of 1990, the College Housing and Academic Facilities Loans Liquidating Account records all cash flows to and from the Government resulting from direct loans obligated prior to 1992. This account includes loans made under the College Housing and Academic Facilities Loans, College Housing Loans, and Higher Education Facilities Loans programs, which continue to be administered separately.

Balance Sheet (in millions of dollars)

Identification code 91-0242-0-1-502	2011 actual	2012 actual
ASSETS:		
1601 Direct loans, gross	141	136
1602 Interest receivable	6	6
1699 Value of assets related to direct loans	147	142
1999 Total assets	147	142
LIABILITIES:		
Federal liabilities:		
2103 Debt	51	46
2104 Resources payable to Treasury	96	96
2999 Total liabilities	147	142
4999 Total liabilities and net position	147	142

**HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING DIRECT
LOAN FINANCING ACCOUNT**

Program and Financing (in millions of dollars)

Identification code 91-4255-0-3-502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
Interest paid to Treasury (FFB)	14	14	15
Credit program obligations:			
0710 Direct loan obligations	235	318	320
0742 Downward reestimate paid to receipt account	14	126	
0743 Interest on downward reestimates	6	72	
0791 Direct program activities, subtotal	255	516	320
0900 Total new obligations	269	530	335
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	391	414	120
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	235	198	367
1440 Borrowing authority, mandatory (total)	235	198	367
Spending authority from offsetting collections, mandatory:			
1800 Collected	71	52	57
1825 Spending authority from offsetting collections applied to repay debt	-14	-14	-14
1850 Spending auth from offsetting collections, mand (total)	57	38	43
1900 Financing authority (total)	292	236	410
1930 Total budgetary resources available	683	650	530
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	414	120	195
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	192	270	591
3010 Obligations incurred, unexpired accounts	269	530	335
3020 Financing disbursements (gross)	-191	-209	-202
3050 Unpaid obligations, end of year	270	591	724
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-22	-22	-22
3090 Uncollected pymts, Fed sources, end of year	-22	-22	-22
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	170	248	569
3200 Obligated balance, end of year	248	569	702
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	292	236	410
Financing disbursements:			
4110 Financing disbursements, gross	191	209	202
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources	-25	-7	-11
4122 Interest on uninvested funds	-18	-17	-18
4123 Interest repayments	-14	-14	-14
4123 Principal repayments	-14	-14	-14

4130	Offsets against gross financing auth and disbursements (total)	-71	-52	-57
4160	Financing authority, net (mandatory)	221	184	353
4170	Financing disbursements, net (mandatory)	120	157	145
4180	Financing authority, net (total)	221	184	353
4190	Financing disbursements, net (total)	120	157	145

Status of Direct Loans (in millions of dollars)

Identification code 91-4255-0-3-502	2012 actual	2013 CR	2014 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	368	368	320
1142 Unobligated direct loan limitation (-)	-133	-50	
1150 Total direct loan obligations	235	318	320
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	782	929	1,046
1231 Disbursements: Direct loan disbursements	161	138	186
1251 Repayments: Repayments and prepayments	-14	-21	-21
1290 Outstanding, end of year	929	1,046	1,211

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Federal Government resulting from direct loans obligated in 1996 and beyond. The Federal Financing Bank (FFB) purchases bonds issued by the HBCU Designated Bonding Authority. Under the policies governing Federal credit programs, bonds purchased by the FFB and supported by the Department of Education with a letter of credit create the equivalent of a Federal direct loan. HBCU bonds are also available for purchase by the private sector, and these will be treated as loan guarantees. However, the Department anticipates that all HBCU loans will be financed by the FFB. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91-4255-0-3-502	2011 actual	2012 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	280	365
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	822	929
1402 Interest receivable	12	6
1405 Allowance for subsidy cost (-)	-280	-365
1499 Net present value of assets related to direct loans	554	570
1999 Total assets	834	935
LIABILITIES:		
Federal liabilities:		
2102 Interest payable	12	6
2103 Debt	822	929
2999 Total liabilities	834	935
4999 Total liabilities and net position	834	935

OFFICE OF FEDERAL STUDENT AID**Federal Funds****STUDENT FINANCIAL ASSISTANCE**

For carrying out subparts 1, 3, and 10 of part A, and part C of title IV of the HEA, \$24,685,281,000, which shall remain available through September 30, 2015: Provided, That, of amounts provided under this heading, \$3,022,000,000 shall also be available for Pell Grants for award year 2015-2016.

The maximum Pell Grant for which a student shall be eligible during award year 2014-2015 shall be \$4,860.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91-0200-0-1-502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0101 Federal Pell grants	34,308	32,274	34,921
0201 Federal supplemental educational opportunity grants (SEOG)	738	740	735
0202 Federal work-study	986	983	1,127
0291 Campus-based activities - Subtotal	1,724	1,723	1,862
0900 Total new obligations (object class 41.0)	36,032	33,997	36,783
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1,007	8,464	11,593
1001 Discretionary unobligated balance brought fwd, Oct 1	1,007	8,464	
1021 Recoveries of prior year unpaid obligations	210		
1050 Unobligated balance (total)	1,217	8,464	11,593
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	24,539	24,685	24,685
1130 Appropriations permanently reduced	-3		
1160 Appropriation, discretionary (total)	24,536	24,685	24,685
Appropriations, mandatory:			
1200 Appropriation	18,745	12,441	7,044
1260 Appropriations, mandatory (total)	18,745	12,441	7,044
1900 Budget authority (total)	43,281	37,126	31,729
1930 Total budgetary resources available	44,498	45,590	43,322
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-2		
1941 Unexpired unobligated balance, end of year	8,464	11,593	6,539

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	22,667	23,468	23,232
3010 Obligations incurred, unexpired accounts	36,032	33,997	36,783
3011 Obligations incurred, expired accounts	205		
3020 Outlays (gross)	-34,980	-34,233	-35,386
3040 Recoveries of prior year unpaid obligations, unexpired	-210		
3041 Recoveries of prior year unpaid obligations, expired	-246		
3050 Unpaid obligations, end of year	23,468	23,232	24,629
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	22,667	23,468	23,232
3200 Obligated balance, end of year	23,468	23,232	24,629

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	24,536	24,685	24,685
Outlays, gross:			
4010 Outlays from new discretionary authority	7,597	6,212	5,410
4011 Outlays from discretionary balances	15,411	16,778	18,474
4020 Outlays, gross (total)	23,008	22,990	23,884
Mandatory:			
4090 Budget authority, gross	18,745	12,441	7,044
Outlays, gross:			
4100 Outlays from new mandatory authority	4,017	840	1,735
4101 Outlays from mandatory balances	7,955	10,403	9,767
4110 Outlays, gross (total)	11,972	11,243	11,502
4180 Budget authority, net (total)	43,281	37,126	31,729
4190 Outlays, net (total)	34,980	34,233	35,386

Status of Direct Loans (in millions of dollars)

Identification code 91-0200-0-1-502	2012 actual	2013 CR	2014 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	308	303	299
1251 Repayments: Repayments and prepayments	-25	-24	-24
Write-offs for default:			
1263 Direct loans	-1	-1	-1
1264 Other adjustments, net (+ or -)	21	21	20
1290 Outstanding, end of year	303	299	294

Notes.—Figures include, in all years, institutional matching share of defaulted notes assigned from institutions to the Education Department.

Funding from the Student Financial Assistance account and related matching funds would provide over 12.2 million awards

STUDENT FINANCIAL ASSISTANCE—Continued

totaling more than \$38.5 billion in available aid in award year 2014–2015.

Federal Pell grants.—Pell Grants are the single largest source of grant aid for postsecondary education. Funding for this program is provided from two sources: discretionary appropriations and mandatory budget authority provided by the College Cost Reduction and Access Act, as amended, the Budget Control Act, and changes to the Higher Education Act of 1965 made in the 2011 and 2012 appropriations acts.

In 2014, 9.4 million undergraduates will receive up to \$4,860 from the discretionary award and an additional \$925 from the mandatory add-on to help pay for postsecondary education. Undergraduate students establish eligibility for these grants under award and need determination rules set out in the authorizing statute and annual appropriations act. The 2014 Budget request includes \$22.8 billion in discretionary funding for Pell Grants in 2014, which, when combined with previously provided mandatory funding, will support a projected maximum award of \$5,785.

Federal supplemental educational opportunity grants (SEOG).—Federal funds are awarded by formula to qualifying institutions, which use these funds to award grants to undergraduate students. While institutions have discretion in awarding these funds, they are required to give priority to Pell Grant recipients and other students with exceptional need. The Federal share of these grants cannot exceed 75 percent of the total grant. The 2014 Budget includes \$735 million for SEOG, which would generate \$982 million in aid to 1.6 million students.

Federal work-study.—Federal funds are awarded by formula to qualifying institutions, which provide part-time jobs to eligible undergraduate and graduate students. Hourly earnings under this program must be at least the Federal minimum wage. Federal funding, in most cases, pays 75 percent of a student's hourly wages, with the remaining 25 percent paid by the employer. The Federal Work-Study program also requires participating institutions to use at least seven percent of their total funds for students employed in community service jobs. The 2014 Budget includes \$1.13 billion for Work-Study, which would generate \$1.35 billion in aid to 809,000 students, representing increases of \$150 million and 112,000 recipients over the 2012 level.

Federal Perkins loans.—Institutions award low-interest loans from institutional revolving funds, which are comprised of Federal Capital Contributions, institutional matching funds, and student repayments on outstanding loans. No new Federal Capital Contributions have been appropriated since 2004. The Budget proposes to modernize and expand the Perkins Loan program so more colleges can participate and more students can access these loans. The proposal would increase, beginning on July 1, 2014, the annual loan amounts available to students to \$8.5 billion from the current \$1 billion. Rather than operating through institutional revolving funds, the Federal Government would originate and service Perkins Loans. Loan volume would be allocated among degree-granting institutions. This new formula will encourage colleges to control costs and offer need-based aid to prevent excessive indebtedness. Schools would have some discretion about student eligibility. Perkins Loan borrowers would be charged the same interest rate as Unsubsidized Stafford Loan borrowers. The 2014 Budget proposes to change how interest rates for all new student loans are calculated to better reflect current market conditions. For Perkins, this would mean an annually adjusted interest rate based on the 10-year Treasury bill plus 293 basis points, fixed at that rate for the life of the loan. These loans would accrue interest while students are in school, and other loan terms and conditions would be the same as current

Unsubsidized Stafford loans. As current Perkins Loan borrowers repay their loans, schools would remit the Federal share of those payments to the Department of Education, beginning at the statutory date described in the Higher Education Act of 1965. Schools would retain their own share of the revolving funds, as well as amounts sufficient to cover the costs of the various Perkins Loan forgiveness provisions. Mandatory loan subsidy costs of this proposal would reduce 2014 outlays by \$673 million and are displayed in the Federal Perkins Loan program account.

Iraq and Afghanistan service grants.—This program, which became effective July 1, 2010, provides non-need-based grants to students whose parent or guardian was a member of the Armed Forces and died in Iraq or Afghanistan as a result of performing military service after September 11, 2001. Service Grants are equal to the maximum Pell Grant for a given award year. The Administration anticipates spending \$231,000 to support an estimated maximum of 1,000 awards in 2014.

Funding tables.—The following tables display student aid funds available, the number of aid awards, average awards, and the unduplicated count of recipients from each Federal student aid program. Loan amounts reflect the amount actually loaned to borrowers, not the Federal cost of these loans. The data in these tables include matching funds wherever appropriate. The 2014 data in these tables reflect the Administration's legislative proposals.

AID FUNDS AVAILABLE FOR POSTSECONDARY EDUCATION AND TRAINING

	[in thousands of dollars]		
	2012	2013	2014
Pell grants	32,798,175	33,728,145	35,325,135
Student loans:			
Direct student loans:			
Stafford loans	33,612,370	28,645,382	29,345,724
Unsubsidized Stafford loans	53,887,607	59,185,855	62,729,063
PLUS	17,851,442	18,602,421	19,986,972
Consolidation	35,964,152	27,049,105	27,938,030
Perkins loans	856,789	856,789	856,789
Unsubsidized Perkins loans	0	0	4,113,423
Student loans, subtotal	142,172,360	134,339,552	144,970,001
Work-study	1,161,950	1,169,316 ¹	1,349,620
Supplemental educational opportunity grants	981,994	988,005 ¹	981,994
Iraq and Afghanistan service grants	257	225	268
TEACH grants	110,698	116,233	87,030
Presidential teaching fellows	0	0	149,030
Total aid available	177,225,434	170,341,475	182,863,079

¹Includes 0.612 percent across-the-board increase provided by P.L. 112–175.

NUMBER OF AID AWARDS

	[in thousands]		
	2012	2013	2014
Pell grants	8,965	9,171	9,373
Direct student loans—Stafford loans	9,911	8,941	9,153
Direct student loans—Unsubsidized Stafford loans	10,924	10,973	11,420
Direct student loans—PLUS	1,347	1,291	1,318
Direct student loans—Consolidation	2,579	690	600
Perkins loans	461	461	461
Unsubsidized Perkins loans	0	0	751
Work-study	697	701 ¹	809
Supplemental educational opportunity grants	1,584	1,594 ¹	1,584
Iraq and Afghanistan service grants	0 ²	0 ²	0 ²
TEACH grants	37	39	30
Presidential teaching fellows	0	0	15
Total awards	36,503	33,860	35,514

¹Reflects the impact of 0.612 percent across-the-board increase provided by P.L. 112–175.

²Number of recipients is fewer than 1,000.

AVERAGE AID AWARDS

	[in whole dollars]		
	2012	2013	2014
Pell grants	3,658	3,678	3,769

Direct student loans-Stafford loans	3,392	3,204	3,206
Direct student loans-Unsubsidized Stafford loans	4,933	5,394	5,493
Direct student loans-PLUS	13,256	14,410	15,169
Direct student loans-Consolidation	13,946	39,201	46,537
Perkins loans	1,860	1,860	1,860
Unsubsidized Perkins loans	0	0	5,476
Work-study	1,668	1,668 ¹	1,668
Supplemental educational opportunity grants	620	620 ¹	620
Iraq and Afghanistan service grants	4,759	4,884	4,963
TEACH grants	2,979	2,979	2,925
Presidential teaching fellows	0	0	10,000

¹Reflects the impact of 0.612 percent across-the-board increase provided by P.L. 112–175.

NUMBER OF STUDENTS AIDED

[in thousands]

	2012	2013	2014
Unduplicated student count	13,941	14,257 ¹	14,694

¹Reflects the impact of 0.612 percent across-the-board increase provided by P.L. 112–175.

ADMINISTRATIVE PAYMENTS TO INSTITUTIONS

[in thousands of dollars]

	2012	2013	2014
Pell grants	44,825	45,855	46,865
Work-study	72,748	73,206 ¹	72,748
Supplemental educational opportunity grants	39,280	39,520 ¹	39,280
Perkins loans	34,272	34,272	34,272

¹Reflects the impact of 0.612 percent across-the-board increase provided by P.L. 112–175.

STUDENT AID ADMINISTRATION

For Federal administrative expenses to carry out part D of title I, and subparts 1, 3, 9, and 10 of part A, and parts B, C, D, and E of title IV of the HEA, \$1,050,091,000, to remain available until September 30, 2015.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0202–0–1–502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Student aid administration	904	1,076	1,170
0002 Discretionary servicing activities	349	431	317
0900 Total new obligations	1,253	1,507	1,487
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	3	72	.....
1001 Discretionary unobligated balance brought fwd, Oct 1	3	72	.....
1021 Recoveries of prior year unpaid obligations	22	.....	.....
1050 Unobligated balance (total)	25	72	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,045	1,049	1,050
1121 Appropriations transferred from other accts [75–0340] .....	.....	.....	3
1130 Appropriations permanently reduced	–2	.....	.....
1160 Appropriation, discretionary (total)	1,043	1,049	1,053
Appropriations, mandatory:			
1200 Appropriation	277	386	434
1260 Appropriations, mandatory (total)	277	386	434
1900 Budget authority (total)	1,320	1,435	1,487
1930 Total budgetary resources available	1,345	1,507	1,487
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	–20	.....	.....
1941 Unexpired unobligated balance, end of year	72	.....	.....
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	528	576	863
3010 Obligations incurred, unexpired accounts	1,253	1,507	1,487
3020 Outlays (gross)	–1,178	–1,220	–1,391
3040 Recoveries of prior year unpaid obligations, unexpired	–22	.....	.....

3041 Recoveries of prior year unpaid obligations, expired	–5	.....	.....
3050 Unpaid obligations, end of year	576	863	959
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	528	576	863
3200 Obligated balance, end of year	576	863	959
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,043	1,049	1,053
Outlays, gross:			
4010 Outlays from new discretionary authority	557	590	591
4011 Outlays from discretionary balances	410	369	432
4020 Outlays, gross (total)	967	959	1,023
Mandatory:			
4090 Budget authority, gross	277	386	434
Outlays, gross:			
4100 Outlays from new mandatory authority	149	185	208
4101 Outlays from mandatory balances	62	76	160
4110 Outlays, gross (total)	211	261	368
4180 Budget authority, net (total)	1,320	1,435	1,487
4190 Outlays, net (total)	1,178	1,220	1,391

The Department of Education manages Federal student aid programs that will provide nearly \$183 billion in new Federal student aid grants and loans to 14.7 million students and parents in 2014. Primary responsibility for administering these programs lies with the Office of Postsecondary Education and the performance-based Federal Student Aid (FSA), which are both overseen by the Office of the Under Secretary. FSA was created by Congress in 1998 with a mandate to improve service to students and other student aid program participants, reduce student aid administration costs, and improve accountability and program integrity.

Student Aid Administration

The 2014 Budget includes \$733 million for student aid administration activities, \$317 million for loan servicing activities, and \$3 million in transferred budget authority for administering the Health Education Assistance Loan Program (HEAL), for a total of \$1.053 billion in discretionary budget authority. The 2014 Budget includes appropriations language to transfer the HEAL Program from the Secretary of Health and Human Services (HHS) to the Secretary of Education (ED). Administrative functions supported by these discretionary funds include: processing student aid applications; providing and tracking aid awards to students, parents, and schools; promoting efforts to reach key student populations; and simplifying the student aid application. In addition, the 2014 Budget includes \$434 million in mandatory funds for administrative costs of servicing contracts with Not-For-Profit (NFP) loan servicers.

Servicing Cost Assumptions:

The following table details the major assumptions driving servicing costs for Federal student loans. Servicing costs are largely determined by volume (average borrower accounts per month) and the average contractual unit costs negotiated to service the volume. Average borrower accounts per month are calculated by the distribution of new unique borrower accounts to one of the multiple servicers contracted with the Department. Currently, the Department contracts with 16 servicers, through the Common Servicers for Borrowers (CSB) contract, the Title IV Additional Servicers (TIVAS) contract, and the new Not-For-Profit Servicers (NFP) contract. The average unit cost to service each borrower is derived by contractual pricing schedules based on different borrower statuses (e.g., in-school, in-grace/current repayment, deferment/forbearance, and delinquency). Differences in distribution among loan statuses will affect overall unit costs due to different pricing for different statuses (e.g., in-repayment borrowers cost more to service than in-school borrowers).

Trends in Assumptions:

STUDENT AID ADMINISTRATION—Continued

The increases in average unit cost from 2012 to 2013, and 2013 to 2014, under the NFP servicers, are partly due to the maturity of the 100 percent Direct Loan portfolio as more loans shift from in-school to in-repayment, and the assumption that borrowers will be shifted from the CSB servicer to new NFP servicers, in accordance with Section 2212 of the Health Care and Education Reconciliation Act of 2010 (Pub. L. 111–152, 124 Stat. 1029). By comparison, the unit costs for the For-Profit servicers will likely decrease between 2013 and 2014, because the current CSB servicer unit costs are higher for this portfolio than the TIVAS For-Profit Servicers' unit costs.

Student Aid Administration Servicing Variables

	2012	2013	2014
For-Profit Servicers Average Borrower Accounts per Month	18,613,305	16,613,609	17,736,571
For-Profit Servicers Average Unit Cost per Month (whole dollars)	\$1.56	\$1.65	\$1.45
Not-For-Profit Servicers Average Borrower Accounts per Month	11,086,907	16,549,824	19,042,873
Not-For-Profit Servicers Average Unit Cost per Month (whole dollars)	\$1.67	\$1.79	\$1.85

Object Classification (in millions of dollars)

Identification code 91–0202–0–1–502	2012 actual	2013 CR	2014 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	135	137	138
11.3 Other than full-time permanent	1		
11.5 Other personnel compensation	2	2	2
11.9 Total personnel compensation	138	139	140
12.1 Civilian personnel benefits	39	39	40
21.0 Travel and transportation of persons	2	3	3
23.1 Rental payments to GSA	14	19	19
23.3 Communications, utilities, and miscellaneous charges	1		
24.0 Printing and reproduction	3	2	1
25.1 Advisory and assistance services	9	2	5
25.2 Other services from non-Federal sources	640	820	793
25.3 Other goods and services from Federal sources	23	18	20
25.7 Operation and maintenance of equipment	381	464	464
31.0 Equipment	3		1
99.0 Direct obligations	1,253	1,506	1,486
99.5 Below reporting threshold		1	1
99.9 Total new obligations	1,253	1,507	1,487

Employment Summary

Identification code 91–0202–0–1–502	2012 actual	2013 CR	2014 est.
1001 Direct civilian full-time equivalent employment	1,325	1,326	1,321

ACADEMIC COMPETITIVENESS/SMART GRANT PROGRAM

Program and Financing (in millions of dollars)

Identification code 91–0205–0–1–502	2012 actual	2013 CR	2014 est.
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	10	2	
3011 Obligations incurred, expired accounts	3		
3020 Outlays (gross)	–9		
3041 Recoveries of prior year unpaid obligations, expired	–2	–2	
3050 Unpaid obligations, end of year	2		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	10	2	
3200 Obligated balance, end of year	2		
Budget authority and outlays, net:			
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances	9		
4190 Outlays, net (total)	9		

The Academic Competitiveness Grant and Science and Mathematics Access to Retain Talent Grant programs expired July 1, 2011. This account reflects the final transactions of grants provided in prior years.

TEACHER EDUCATION ASSISTANCE

Program and Financing (in millions of dollars)

Identification code 91–0206–0–1–502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
Credit program obligations:			
0701 Direct loan subsidy	14	2	2
0705 Reestimates of direct loan subsidy	18	1	
0706 Interest on reestimates of direct loan subsidy	2		
0900 Total new obligations (object class 41.0)	34	3	2
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation (indefinite) - Loan subsidy	14	2	2
1200 Appropriation (indefinite) - Upward reestimate	20	1	
1260 Appropriations, mandatory (total)	34	3	2
1930 Total budgetary resources available	34	3	2
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	8	4	
3010 Obligations incurred, unexpired accounts	34	3	2
3020 Outlays (gross)	–35	–7	–2
3041 Recoveries of prior year unpaid obligations, expired	–3		
3050 Unpaid obligations, end of year	4		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	8	4	
3200 Obligated balance, end of year	4		
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	34	3	2
Outlays, gross:			
4100 Outlays from new mandatory authority	30	2	1
4101 Outlays from mandatory balances	5	5	1
4110 Outlays, gross (total)	35	7	2
4180 Budget authority, net (total)	34	3	2
4190 Outlays, net (total)	35	7	2

Summary of Budget Authority and Outlays (in millions of dollars)

	2012 actual	2013 CR	2014 est.
Enacted/requested:			
Budget Authority	34	3	2
Outlays	35	7	2
Legislative proposal, subject to PAYGO:			
Budget Authority			189
Outlays			5
Total:			
Budget Authority	34	3	191
Outlays	35	7	7

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 91–0206–0–1–502	2012 actual	2013 CR	2014 est.
Direct loan levels supportable by subsidy budget authority:			
115001 TEACH Grants	138	125	132
115999 Total direct loan levels	138	125	132
Direct loan subsidy (in percent):			
132001 TEACH Grants	10.25	1.48	1.52
132999 Weighted average subsidy rate	10.25	1.48	1.52
Direct loan subsidy budget authority:			
133001 TEACH Grants	14	2	2
133999 Total subsidy budget authority	14	2	2
Direct loan subsidy outlays:			
134001 TEACH Grants	14	5	2

134999	Total subsidy outlays	14	5	2
	Direct loan upward reestimates:			
135001	TEACH Grants	20	2	
135999	Total upward reestimate budget authority	20	2	
	Direct loan downward reestimates:			
137001	TEACH Grants		-17	
137999	Total downward reestimate budget authority		-17	

The TEACH Grant program, authorized by the College Cost Reduction and Access Act of 2007, awards annual grants of up to \$4,000 to full- or part-time undergraduate and graduate students who agree to teach mathematics, science, foreign languages, bilingual education, special education, or reading at a high-poverty school for not less than four years within eight years of graduating. The program began awarding grants in the 2008–2009 award year. Students must have a grade point average of 3.25 or higher to be eligible to receive a grant. Students who fail to fulfill the service requirements must repay the grants, including interest accrued from the time of award.

Because TEACH Grants turn into loans in cases where the service requirements are not fulfilled, for budget and accounting purposes the program is operated consistent with the requirements of the Federal Credit Reform Act of 1990. This program account records subsidy costs reflecting the net present value of the estimated lifetime Federal program costs for grants awarded in a given fiscal year. Under this approach the subsidy cost reflects the cost of grant awards net of expected future repayments for grants that are converted to loans.

The 2014 Budget proposes to overhaul the TEACH Grant program, as of the end of the 2013–2014 academic year, and replace it with a new, targeted teacher recruitment and retention program, Presidential Teaching Fellows. This new program would provide grants to States that meet certain conditions to supply scholarships of up to \$10,000 to talented individuals attending the most effective programs in the State. These individuals would commit to teaching for at least three years in a high-need school and subject. To be eligible for funds, States would measure the effectiveness of their teacher preparation programs based on student achievement data of their graduates, among other measures; hold teacher preparation programs accountable for results; and upgrade licensure and certification standards.

TEACHER EDUCATION ASSISTANCE

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0206–4–1–502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0002 Presidential teaching fellows			190
Credit program obligations:			
0701 Direct loan subsidy			-1
0900 Total new obligations (object class 41.0)			189
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation (indefinite) - Loan subsidy			-1
1200 Appropriation Presidential Teaching Fellows			190
1260 Appropriations, mandatory (total)			189
1930 Total budgetary resources available			189
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			189
3020 Outlays (gross)			-5
3050 Unpaid obligations, end of year			184

Memorandum (non-add) entries:			
3200 Obligated balance, end of year			184
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			189
Outlays, gross:			
4100 Outlays from new mandatory authority			5
4180 Budget authority, net (total)			189
4190 Outlays, net (total)			5

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 91–0206–4–1–502	2012 actual	2013 CR	2014 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Direct loan TEACH Grants			-38
115999 Total direct loan levels			-38
Direct loan subsidy (in percent):			
132001 TEACH Grants			0.00
132999 Weighted average subsidy rate			0.00
Direct loan subsidy budget authority:			
133001 TEACH Grants			-1
133999 Total subsidy budget authority			-1

TEACH GRANT FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91–4290–0–3–502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
Credit program obligations:			
0710 Direct loan obligations	138	125	132
0713 Payment of interest to Treasury	15	20	30
0742 Downward reestimate paid to receipt account		16	
0743 Interest on downward reestimates		1	
0900 Total new obligations	153	162	162
Budgetary Resources:			
Unobligated balance:			
1021 Recoveries of prior year unpaid obligations	24	9	10
1023 Unobligated balances applied to repay debt	-9		
1024 Unobligated balance of borrowing authority withdrawn	-15	-9	-10
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	130	157	160
1440 Borrowing authority, mandatory (total)	130	157	160
Spending authority from offsetting collections, mandatory:			
1800 Collected	45	17	17
1801 Change in uncollected payments, Federal sources	-1	1	1
1825 Spending authority from offsetting collections applied to repay debt	-21	-13	-16
1850 Spending auth from offsetting collections, mand (total)	23	5	2
1900 Financing authority (total)	153	162	162
1930 Total budgetary resources available	153	162	162
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	88	82	79
3010 Obligations incurred, unexpired accounts	153	162	162
3020 Financing disbursements (gross)	-135	-156	-169
3040 Recoveries of prior year unpaid obligations, unexpired	-24	-9	-10
3050 Unpaid obligations, end of year	82	79	62
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-5	-4	-5
3070 Change in uncollected pymts, Fed sources, unexpired	1	-1	-1
3090 Uncollected pymts, Fed sources, end of year	-4	-5	-6
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	83	78	74
3200 Obligated balance, end of year	78	74	56
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	153	162	162

TEACH GRANT FINANCING ACCOUNT—Continued
Program and Financing—Continued

Identification code 91–4290–0–3–502	2012 actual	2013 CR	2014 est.
Financing disbursements:			
4110 Financing disbursements, gross	135	156	169
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward Reestimate	–14	–1	
4120 Upward Reestimate, interest	–18		
4120 Subsidy from Program Account	–2	–5	–2
4122 Interest on uninvested funds	–4		
4123 Payment of Principal	–7	–6	–9
4123 Interest Received		–5	–6
4130 Offsets against gross financing auth and disbursements (total)	–45	–17	–17
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired	1	–1	–1
4160 Financing authority, net (mandatory)	109	144	144
4170 Financing disbursements, net (mandatory)	90	139	152
4180 Financing authority, net (total)	109	144	144
4190 Financing disbursements, net (total)	90	139	152

Status of Direct Loans (in millions of dollars)

Identification code 91–4290–0–3–502	2012 actual	2013 CR	2014 est.
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	138	125	132
1150 Total direct loan obligations	138	125	132
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	278	396	508
1231 Disbursements: Direct loan disbursements	125	118	120
1251 Repayments: Repayments and prepayments	–7	–6	–9
1290 Outstanding, end of year	396	508	619

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from the TEACH Grant program. Amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91–4290–0–3–502	2011 actual	2012 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	28	27
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	278	396
1402 Interest receivable	22	41
1405 Allowance for subsidy cost (-)	–46	–93
1499 Net present value of assets related to direct loans	254	344
1999 Total assets	282	371
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable		1
2103 Debt	282	370
2999 Total liabilities	282	371
4999 Total liabilities and net position	282	371

TEACH GRANT FINANCING ACCOUNT
(Legislative proposal, subject to PAYGO)**Program and Financing (in millions of dollars)**

Identification code 91–4290–4–3–502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
Credit program obligations:			
0710 Direct loan obligations			–38
0713 Payment of interest to Treasury			–6
0900 Total new obligations			–44

Budgetary Resources:

Unobligated balance:			
1021 Recoveries of prior year unpaid obligations			–3
1024 Unobligated balance of borrowing authority withdrawn			3
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority			–44
1440 Borrowing authority, mandatory (total)			–44
1930 Total budgetary resources available			–44

Change in obligated balance:

Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			–44
3020 Financing disbursements (gross)			44
3040 Recoveries of prior year unpaid obligations, unexpired			3
3050 Unpaid obligations, end of year			3
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			3

Financing authority and disbursements, net:

Mandatory:			
4090 Financing authority, gross			–44
Financing disbursements:			
4110 Financing disbursements, gross			–44
4180 Financing authority, net (total)			–44
4190 Financing disbursements, net (total)			–44

Status of Direct Loans (in millions of dollars)

Identification code 91–4290–4–3–502	2012 actual	2013 CR	2014 est.
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation			–38
1150 Total direct loan obligations			–38
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year			
1231 Disbursements: Direct loan disbursements			–38
1251 Repayments: Repayments and prepayments			
1290 Outstanding, end of year			–38

STUDENT FINANCIAL ASSISTANCE DEBT COLLECTION**Special and Trust Fund Receipts (in millions of dollars)**

Identification code 91–5557–0–2–502	2012 actual	2013 CR	2014 est.
0100 Balance, start of year			
Receipts:			
0220 Student Financial Assistance Debt Collection	8	9	9
0400 Total: Balances and collections	8	9	9
Appropriations:			
0500 Student Financial Assistance Debt Collection	–8	–9	–9
0799 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 91–5557–0–2–502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Student Financial Assistance Debt Collection	3	5	5
0900 Total new obligations (object class 25.2)	3	5	5

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	15	12	10
1022 Capital transfer of unobligated balances to general fund	–8	–6	–6
1050 Unobligated balance (total)	7	6	4
Budget authority:			
Appropriations, mandatory:			
1201 Appropriation (special or trust fund)	8	9	9
1260 Appropriations, mandatory (total)	8	9	9
1930 Total budgetary resources available	15	15	13

Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	12	10	8
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	2	2	2
3010	Obligations incurred, unexpired accounts	3	5	5
3020	Outlays (gross)	-3	-5	-5
3050	Unpaid obligations, end of year	2	2	2
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	2	2	2
3200	Obligated balance, end of year	2	2	2
Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	8	9	9
Outlays, gross:				
4101	Outlays from mandatory balances	3	5	5
4180	Budget authority, net (total)	8	9	9
4190	Outlays, net (total)	3	5	5

FEDERAL STUDENT LOAN RESERVE FUND

Program and Financing (in millions of dollars)

Identification code 91-4257-0-3-502				
2012 actual 2013 CR 2014 est.				
Obligations by program activity:				
0102	Obligations, non-Federal	12,448	10,588	9,572
0900	Total new obligations (object class 42.0)	12,448	10,588	9,572
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	1,664	1,306	994
Budget authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected	12,090	10,276	9,305
1850	Spending auth from offsetting collections, mand (total)	12,090	10,276	9,305
1930	Total budgetary resources available	13,754	11,582	10,299
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	1,306	994	727
Change in obligated balance:				
Unpaid obligations:				
3010	Obligations incurred, unexpired accounts	12,448	10,588	9,572
3020	Outlays (gross)	-12,448	-10,588	-9,572
Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	12,090	10,276	9,305
Outlays, gross:				
4100	Outlays from new mandatory authority	12,090	10,276	9,305
4101	Outlays from mandatory balances	358	312	267
4110	Outlays, gross (total)	12,448	10,588	9,572
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4120	Federal sources	-12,029	-10,084	-9,122
4123	Non-Federal sources	-61	-192	-183
4130	Offsets against gross budget authority and outlays (total)	-12,090	-10,276	-9,305
4170	Outlays, net (mandatory)	358	312	267
4190	Outlays, net (total)	358	312	267

The Higher Education Amendments of 1998 clarified that reserve funds held by public and non-profit guaranty agencies participating in the Federal Family Education Loan (FFEL) program are Federal property. These reserves are used to pay default claims from FFEL lenders and fees to support agency efforts to avert defaults. The Federal Government reimburses these reserves for default claim payments. The following schedule reflects the balances in these guaranty agency funds.

Balance Sheet (in millions of dollars)

Identification code 91-4257-0-3-502		2011 actual	2012 actual
ASSETS:			
1101	Federal assets: Fund balances with Treasury	1,664	1,306
1999	Total assets	1,664	1,306
NET POSITION:			
3300	Cumulative results of operations	1,664	1,306
4999	Total liabilities and net position	1,664	1,306

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-0243-0-1-502				
2012 actual 2013 CR 2014 est.				
Obligations by program activity:				
Credit program obligations:				
0705	Reestimates of direct loan subsidy	6,614	2,377	
0706	Interest on reestimates of direct loan subsidy	303	897	
0709	Administrative expenses		3	
0900	Total new obligations	6,917	3,277	
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1		3	
Budget authority:				
Appropriations, mandatory:				
1200	Appropriation (indefinite) - Upward reestimate	6,917	3,274	
1260	Appropriations, mandatory (total)	6,917	3,274	
Spending authority from offsetting collections, mandatory:				
1800	Collected	3		
1850	Spending auth from offsetting collections, mand (total)	3		
1900	Budget authority (total)	6,920	3,274	
1930	Total budgetary resources available	6,920	3,277	
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	3		
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	6	5	1
3010	Obligations incurred, unexpired accounts	6,917	3,277	
3020	Outlays (gross)	-6,918	-3,281	-1
3050	Unpaid obligations, end of year	5	1	
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	6	5	1
3200	Obligated balance, end of year	5	1	
Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	6,920	3,274	
Outlays, gross:				
4100	Outlays from new mandatory authority	6,917	3,274	
4101	Outlays from mandatory balances	1	7	1
4110	Outlays, gross (total)	6,918	3,281	1
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Administrative refund from settlement	-3		
4180	Budget authority, net (total)	6,917	3,274	
4190	Outlays, net (total)	6,915	3,281	1

Summary of Budget Authority and Outlays (in millions of dollars)

		2012 actual	2013 CR	2014 est.
Enacted/requested:				
	Budget Authority	6,917	3,274	
	Outlays	6,915	3,281	1
Legislative proposal, subject to PAYGO:				
	Budget Authority			2,871
	Outlays			2,871
Total:				
	Budget Authority	6,917	3,274	2,871
	Outlays	6,915	3,281	2,872

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT—Continued
Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 91-0243-0-1-502	2012 actual	2013 CR	2014 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Stafford	38,719	32,122	33,115
115002 Unsubsidized Stafford	65,500	66,925	71,492
115003 PLUS	20,819	19,463	20,921
115004 Consolidation	39,264	27,180	28,076
115999 Total direct loan levels	164,302	145,690	153,604
Direct loan subsidy (in percent):			
132001 Stafford	5.82	-7.47	-11.33
132002 Unsubsidized Stafford	-28.30	-37.21	-37.12
132003 PLUS	-33.29	-46.03	-45.99
132004 Consolidation	-9.90	-13.63	-10.93
132999 Weighted average subsidy rate	-16.49	-27.43	-27.98
Direct loan subsidy budget authority:			
133001 Stafford	2,253	-2,399	-3,752
133002 Unsubsidized Stafford	-18,536	-24,903	-26,538
133003 PLUS	-6,931	-8,959	-9,622
133004 Consolidation	-3,887	-3,705	-3,069
133999 Total subsidy budget authority	-27,101	-39,966	-42,981
Direct loan subsidy outlays:			
134001 Stafford	2,173	-1,054	-2,997
134002 Unsubsidized Stafford	-15,185	-20,790	-22,924
134003 PLUS	-6,029	-8,085	-8,969
134004 Consolidation	-3,866	-3,676	-3,057
134999 Total subsidy outlays	-22,907	-33,605	-37,947
Direct loan upward reestimates:			
135005 Federal Direct Student Loans	6,917	3,274	.....
135999 Total upward reestimate budget authority	6,917	3,274	.....
Direct loan downward reestimates:			
137005 Federal Direct Student Loans	-1,351	-11,426	.....
137999 Total downward reestimate budget authority	-1,351	-11,426	.....
Administrative expense data:			
3580 Outlays from balances .....	.....	7	1

The Federal Government currently operates two major student loan programs: the Federal Family Education Loan (FFEL) program and the William D. Ford Federal Direct Loan (Direct Loan) program. The Health Care and Education Reconciliation Act of 2010 (HCERA) eliminated the authorization to originate new FFEL loans; as of July 1, 2010, all new loans are originated in the Direct Loan program. This summary section outlines the structure of these two programs and provides text tables displaying program cost data; loan volume, subsidy, default, and interest rates; and other descriptive information.

From its inception in 1965 through the end of June 2010, the FFEL program provided almost \$899 billion in loans to postsecondary students and their parents. Although no new FFEL loans will be originated, billions of outstanding FFEL loans will continue to be serviced by lenders. Since July 1, 1994, the Direct Loan program has provided nearly \$668 billion in new and consolidation loans to students and parents. The Direct Loan program will make \$112.1 billion in new loans available in 2014.

Loan capital in the FFEL program was provided by private lenders, facilitated by the Federal guarantee on the loans. For the outstanding FFEL portfolio, State and private nonprofit guaranty agencies act as agents of the Federal Government, providing a variety of services including collection of some defaulted loans, default avoidance activities, and counseling to schools, students, and lenders. The Government provides substantial payments to these guaranty agencies. The 2014 Budget proposes two technical changes to the guaranty agencies' compensation via the retention of loan rehabilitation funds: eliminating their current retention share of the original defaulted student loan amount, and reducing the maximum fee they can charge a borrower on the borrower's outstanding balance from 18.5 to 16 percent. This policy requires agencies to send the rehabilitated

loans to the Department of Education if they cannot find a private lender buyer but maintains their right to the 16 percent collection fee. The Government also pays interest subsidies to lenders for certain borrowers, as well as most costs associated with loan defaults and other write-offs.

Under the Direct Loan program, the Federal Government provides loan capital through the Treasury while loan origination and servicing is handled by private-sector companies under performance-based contracts with the Department. The Direct Loan program began operation in academic year 1994–1995 with 7 percent of overall loan volume but now originates all new loans.

The Direct Loan program offers four types of loans: Stafford, Unsubsidized Stafford, PLUS, and Consolidation. Evidence of financial need is required for a student to receive a subsidized Stafford loan. The other three loan programs are available to borrowers at all income levels. Loans can be used only to meet qualified educational expenses.

For Stafford loans available to undergraduates, the Moving Ahead for Progress in the 21st Century Act (MAP-21 Act) maintained the existing 3.4 percent interest rate on new loans through June 30, 2013. The interest rate for new loans is set to rise to 6.8 percent beginning July 1, 2013. Interest payments for these loans are fully subsidized by the Federal Government while a student is in school (up to 150 percent of program length) and during grace and deferment periods. The Consolidated Appropriations Act, 2012, provides that interest on Stafford loans issued between July 1, 2012 and July 1, 2014 will begin to accrue during the 6-month grace period after a borrower leaves school.

Borrower interest rates on new Unsubsidized Stafford loans are fixed at 6.8 percent. The fixed borrower interest rate on PLUS loans is 7.9 percent.

The Budget proposes to reform the interest rate calculation for new loans to benchmark borrower interest rates to current market rates. New rates for Stafford loans would be equal to the 10-year Treasury bill plus 93 basis points; the Unsubsidized Stafford loan rate would be equal to the 10-year Treasury bill plus 293 basis points; and the new PLUS loan rate would be equal to the 10-year Treasury bill plus 393 basis points. Additionally, the 8.25 percent cap on new Consolidation loans would be eliminated. These rates would be determined annually before the start of the academic year and fixed for the duration of the loan.

For loans originated in the FFEL program, lenders may receive an interest subsidy, known as a special allowance payment, from the Government to ensure a guaranteed rate of return on the loans. Special allowance payments vary by loan type, are determined quarterly, and are based on current borrower interest rates and market-yield formulas. The guarantee percentage paid to lenders on most defaults is 97 percent of unpaid loan principal (including any accrued interest on the full loan principal). The Consolidated Appropriations Act, 2012, gave holders of Federal student loans the option to change the basis for the special allowance calculation from commercial paper to the London Interbank Offered Rate (LIBOR), beginning April 1, 2012.

Consolidation loans allow borrowers to combine FFEL, Direct Loans, and Perkins Loans, as well as some loans made under the Public Health Service Act. The interest rate for new Consolidation loans equals the weighted average of the interest rate on the loans consolidated, rounded up to the nearest one-eighth of one percent. Interest rates for new Consolidation Loans are capped at 8.25 percent.

Direct Loan origination fees are one percent. Loans are discharged when borrowers die, are totally and permanently disabled, or, under some circumstances, declare bankruptcy.

New borrowers after October 1, 1998, who are employed as teachers in schools serving low-income populations for five consecutive, complete school years, qualify for up to \$5,000 in loan forgiveness; this benefit is increased to \$17,500 for mathematics, science, and special education teachers considered highly qualified under criteria established in the Elementary and Secondary Education Act.

In addition, under a loan forgiveness program for public-sector employees, qualifying borrowers who have worked for 10 years while making payments on their student loans will have any remaining loan balance forgiven. This benefit is only available in the Direct Loan program, though FFEL borrowers may receive the benefit by taking out a Direct Consolidation Loan. Forgiveness is available for all borrowers, regardless of when they took out their loans.

Borrowers may choose from four repayment plans. Repayment periods under standard, graduated, and income-sensitive or income-contingent repayment may not exceed 10 years. An extended repayment plan of up to 25 years is available for new borrowers with outstanding loans totaling more than \$30,000. FFEL borrowers may change repayment plans annually. Direct Loan borrowers may switch between repayment plans at any time.

In addition, since July 1, 2009, qualifying student borrowers may choose an income-based repayment plan under which monthly loan payments are based on the borrower's income, and outstanding balances, if any, are forgiven after 25 years in repayment. Parent PLUS borrowers are not eligible for this payment plan. Interest does not accrue in the first three years for Stafford Loans and the Stafford portion of Consolidation Loans. Monthly loan payments can be up to 15 percent of a borrower's prior-year income, and cannot exceed the amount calculated under the Standard 10-year repayment option. Beginning July 1, 2014, new loans will be eligible for a reduced maximum assessment rate of 10 percent of prior-year income with a maximum of 20 years in repayment. As of December 21, 2012, the Pay As You Earn plan, which provides this reduced assessment rate and repayment length, is available for eligible borrowers. To be eligible for this new income-contingent repayment initiative, an individual must be a new borrower as of October 1, 2007, and have received a Direct Loan disbursement on or after October 1, 2011. The Budget proposes to extend this plan to all borrowers beginning in fiscal year 2014.

The following tables display performance indicators and program data; including projected overall Direct Loan and FFEL costs; and summary of default rates.

Federal Budget Authority and Outlays

(in thousands of dollars)

	2012 actual	2013 est.	2014 est.
PROGRAM COST:			
FFEL:			
Liquidating ¹	(187,821)	(310,911)	(243,958)
Program:			
Net Reestimate of Prior Year Costs	(15,164,122)	(6,843,641)	0
Net Modification ²	152,957	0	(3,657,173)
Subtotal, Program	(15,011,166)	(6,843,641)	(3,657,173)
Total, FFEL	(15,198,987)	(7,154,552)	(3,901,131)
Direct Loans:			
Program:			
New Loan Subsidies	(27,100,852)	(26,140,573)	(29,172,697)
Net Reestimate of Prior Year Costs	5,566,331	(8,151,717)	0
Net Modification ²	0	0	2,871,258
Total, Direct Loans	(21,534,522)	(34,292,290)	(26,301,439)
Total, FFEL and Direct Loans	(36,733,509)	(41,446,842)	(30,202,571)
PROGRAM COST OUTLAYS:			
FFEL:			
Liquidating ¹	(407,283)	(310,911)	(243,958)

Program:			
Net Reestimate of Prior Year Costs	(15,164,122)	(6,843,641)	0
Net Modification ²	152,957	0	(3,657,173)
Subtotal, Program	(15,011,166)	(6,843,641)	(3,657,173)
Total, FFEL	(15,418,449)	(7,154,552)	(3,901,131)
Direct Loans:			
Program:			
Regular	(22,907,141)	(24,652,847)	(25,403,384)
Net Reestimate of Prior Year Costs	5,566,331	(8,151,717)	0
Net Modification ²	0	0	2,871,258
Total, Direct Loans	(17,340,811)	(32,804,564)	(22,532,126)
Total, FFEL and Direct Loans	(32,759,259)	(39,959,116)	(26,433,258)

Details may not sum to totals due to rounding.

¹Liquidating account reflects loans made prior to 1992.

²Reflects the cost or savings associated with policy changes proposed in the 2014 President's Budget.

Summary of Default Rates¹

(expressed as percentages)

	2012 est.	2013 est.	2014 est.
Direct Loans:			
Stafford	20.18%	21.64%	21.41%
Unsubsidized Stafford	16.39%	15.19%	14.93%
PLUS	7.78%	7.57%	7.49%
Consolidation	18.43%	20.91%	20.90%
Weighted Average, Direct Loans	16.72%	16.67%	16.42%

¹Default rates displayed in this table, which reflect projected defaults over the life of a loan cohort, are used in developing program cost estimates. The Department uses other rates based on defaults occurring in the first 3 years of repayment to determine institutional eligibility to participate in Federal loan programs. These 3-year rates are lower than those included in this table.

FFEL program payments are made to lenders (interest subsidies, loan defaults, and discharges) and guaranty agencies (default collection costs, administrative services). These payments are partially offset by an annual consolidation loan holder fee. In Direct Loans, cash outflows are primarily payments to Treasury. Cash inflows include principal and interest payments on outstanding Direct Loans.

The following table shows Government payments to and from lenders, guaranty agencies, and borrowers for specific years, regardless of when loans were originated. These flows do not reflect long-term costs to the Government, nor the value of outstanding loan assets, which are reflected in credit reform subsidy estimates.

The Federal Credit Reform Act of 1990 accounts for differences in the amount and timing of cash flows among direct and guaranteed loan programs to make cost estimates for these programs comparable with each other and other Federal programs.

Selected Program Costs and Offsets

(in thousands of dollars)

	2012 actual	2013 est.	2014 est.
FFEL:			
Payments to lenders:			
Interest benefits	1,626,733	863,163	651,912
Special allowance payments ¹	(5,959,586)	(4,189,091)	(3,672,489)
Default claims	10,579,681	7,494,630	6,180,344
Loan discharges	1,449,896	993,876	938,714
Teacher loan forgiveness	158,146	195,315	185,821
Administrative payments to guaranty agencies	208,276	196,769	186,240
Fees paid to the Department of Education:			
Loan holder fees	(1,993,094)	(1,623,387)	(1,452,929)
Other Major Transactions:			
Net default collections	(8,745,939)	(8,176,915)	(7,655,597)
Contract collection costs	59,255	64,727	46,354
Federal administrative costs	69,702	59,909	47,381
Net Cash Flow, FFEL	(2,546,929)	(4,121,004)	(4,544,251)
Ensuring Continued Access to Student Loans (ECASLA):			
Inflows	(12,322,152)	(12,667,339)	(12,338,304)
Outflows	8,729,863	15,925,288	13,003,638
Federal administrative costs	189,191	203,689	201,370

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT—Continued
Selected Program Costs and Offsets—Continued

	2012 actual	2013 est.	2014 est.
Net Cash Flow, ECASLA	(3,403,098)	3,461,638	866,704
Direct Loans:			
Loan disbursements to borrowers	142,284,597	131,912,862	138,297,842
Borrower interest payments	(5,029,070)	(8,113,397)	(11,881,050)
Borrower principal payments	(17,422,538)	(29,332,572)	(40,098,586)
Borrower origination fees	(1,584,526)	(1,531,745)	(1,688,618)
Net default collections	(1,215,093)	(2,947,951)	(4,391,470)
Contract collection costs	353,319	448,118	401,351
Federal administrative costs	736,849	934,573	935,779
Net operating cash flows	118,123,538	91,369,888	81,575,248
Loan capital borrowings from Treasury	(142,284,597)	(131,912,862)	(138,297,842)
Net interest payments to Treasury	16,378,402	25,511,853	30,490,123
Principal payments to Treasury	19,465,383	22,444,090	32,668,930
Subtotal, Treasury activity	(106,440,813)	(83,956,920)	(75,138,789)
Net Cash Flow, Direct Loans	11,682,725	7,412,968	6,436,459

Net Cash Flow, Direct Loans

¹Includes Negative Special Allowance Payments.

Student Loan Program Costs: Analysis of Direct Loans including Program and Administrative Expenses

	2012 actual	2013 est.	2014 est.
Direct Loans:			
New Loans:			
Stafford	7.88	3.31	1.57
Unsubsidized Stafford	-26.05	-26.17	-27.56
PLUS	-36.30	-33.64	-37.12
Subtotal, new loan subsidy	-20.54	-19.41	-21.47
Federal administrative costs	1.72	1.70	1.70
Subtotal, new loans	-18.82	-17.71	-19.77
Consolidation Loans			
Loan subsidy	-13.74	-11.56	-7.92
Federal administrative costs	0.38	0.38	0.38
Subtotal, consolidation loans	-13.36	-11.18	-7.54
New and Consolidation Loans			
Loan subsidy	-8.32	-17.94	-18.99
Federal administrative costs	1.24	1.45	1.45
Total, Direct Loans	-18.95	-16.49	-17.54

Totals may not add due to rounding. Subsidies are weighted on Gross Volumes.

Notes: For 2012, the rates are current; these include the actual executed rates for 2012 and the effect of re-estimates on those rates. The 2012 and 2013 cohorts for Consolidation Loans include volume and subsidy from the Special Direct Consolidation Loan program.

The table above describes Direct Loan costs on a subsidy rate basis: program costs calculated under the Federal Credit Reform Act of 1990 and comparably projected estimates of Federal administrative costs. As with any long-term projection, the comparison is based on assumed future interest rates, borrower characteristics, administrative costs, and other factors over the life of the loan cohort. To the degree actual conditions differ from projections, estimated subsidy rates will change.

The Federal Credit Reform Act of 1990 requires the cost of existing loan cohorts to be reestimated to reflect changes in actual and assumed borrower behavior, interest rates, and other factors. The following table shows the impact of these reestimates in FFEL and Direct Loans.

Loan Disbursement and Subsidy Costs

(in billions of dollars)

	FFEL	Direct Loans
Original Subsidy Costs	+\$77.1	-\$50.0
Cumulative Reestimates	-\$50.6	+\$1.5
Net Subsidy Costs	+\$26.4	-\$48.5
Total Disbursements	+\$898.7	+\$667.9

Changes in interest rate projections are a significant factor in FFEL and Direct Loan reestimates; recent declines in interest

rates below historical averages have accordingly been a major driver in changes to program costs. Changes in borrower behavior (notably, prepayment of loans through consolidation) have also contributed to these reestimates.

Direct Loan Repayment Options

(expressed as percentages)

Subsidies by Repayment Option	2012 actual ¹	2013 est.	2014 est.
Stafford:			
Standard	6.76	2.44	0.89
Extended	9.95	4.82	0.80
Graduated	10.78	5.58	1.62
ICR/IBR	17.09	10.40	10.29
Unsubsidized Stafford:			
Standard	-28.36	-27.70	-29.08
Extended	-40.31	-40.26	-42.32
Graduated	-39.36	-39.62	-41.95
ICR/IBR	17.07	10.06	10.03
PLUS: ²			
Standard	-32.40	-30.01	-32.87
Extended	-51.69	-47.74	-53.58
Graduated	-52.88	-49.19	-55.38
Consolidated:			
Standard	-20.17	-19.88	-17.23
Extended	-48.07	-48.89	-42.44
Graduated	-42.94	-42.67	-36.50
ICR/IBR	13.25	20.18	23.51
Special Direct Consolidation ³	-14.23	-9.27	-

Direct Loan Repayment Options

(gross volumes in millions of dollars)

Volumes by Repayment Option	2012 actual ¹	2013 est.	2014 est.
Stafford:			
Standard	31,023	26,372	27,187
Extended	446	379	391
Graduated	3,867	3,287	3,389
ICR/IBR	2,452	2,084	2,148
Unsubsidized Stafford:			
Standard	47,720	51,817	55,353
Extended	1,127	1,224	1,307
Graduated	7,536	8,183	8,742
ICR/IBR	5,250	5,701	6,090
PLUS: ²			
Standard	15,079	15,702	16,877
Extended	998	1,039	1,117
Graduated	2,614	2,722	2,926
Consolidated:			
Standard	8,866	10,337	11,010
Extended	1,258	1,485	1,584
Graduated	4,335	5,126	5,468
ICR/IBR	8,647	9,462	10,014
Special Direct Consolidation ³	13,100	770	.....

¹2012 rates are current; these include actual executed rates for 2012 and the effect of re-estimates on those rates.²ICR/IBR are not available repayment options for PLUS loans.³Special Direct Consolidation loans are made up of both FFEL and Direct Loans from underlying cohorts 1992–2010. They retain their repayment plan from the underlying loans.

Object Classification (in millions of dollars)

Identification code 91–0243–0–1–502	2012 actual	2013 CR	2014 est.
Direct obligations:			
25.7 Operation and maintenance of equipment		3	.....
41.0 Grants, subsidies, and contributions	6,917	3,274	.....
99.9 Total new obligations	6,917	3,277	.....

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0243–4–1–502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
Credit program obligations:			
0703 Subsidy for modifications of direct loans	2,871

0900	Total new obligations (object class 41.0)	2,871
Budgetary Resources:		
Budget authority:		
Appropriations, mandatory:		
1200	Appropriation-indefinite-Upward Modification	2,871
1260	Appropriations, mandatory (total)	2,871
1900	Budget authority (total)	2,871
1930	Total budgetary resources available	2,871
Change in obligated balance:		
Unpaid obligations:		
3010	Obligations incurred, unexpired accounts	2,871
3020	Outlays (gross)	-2,871
Budget authority and outlays, net:		
Mandatory:		
4090	Budget authority, gross	2,871
Outlays, gross:		
4100	Outlays from new mandatory authority	2,871
4180	Budget authority, net (total)	2,871
4190	Outlays, net (total)	2,871

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 91-0243-4-1-502	2012 actual	2013 CR	2014 est.
Direct loan subsidy (in percent):			
132001	Stafford	10.78	12.90
132002	Unsubsidized Stafford	11.04	9.56
132003	PLUS	12.39	8.87
132004	Consolidation	2.07	3.01
132999	Weighted average subsidy rate	9.49	8.99
Direct loan subsidy budget authority:			
133001	Stafford	3,463	4,272
133002	Unsubsidized Stafford	7,388	6,835
133003	PLUS	2,411	1,855
133004	Consolidation	563	845
133999	Total subsidy budget authority	13,825	13,807
Direct loan subsidy outlays:			
134001	Stafford	2,231	3,593
134002	Unsubsidized Stafford	4,683	6,148
134003	PLUS	1,482	1,963
134004	Consolidation	556	839
134005	Federal Direct Student Loans		2,871
134999	Total subsidy outlays	8,952	15,414

FEDERAL DIRECT STUDENT LOAN PROGRAM FINANCING ACCOUNT**Program and Financing** (in millions of dollars)

Identification code 91-4253-0-3-502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0201	Interest rate rebate	470	22
0301	Consolidation loans-Payment of Orig. Services	60	47
0401	Payment of contract collection costs	354	448
Credit program obligations:			
0710	Direct loan obligations	164,302	145,690
0713	Payment of interest to Treasury	20,643	25,681
0740	Negative subsidy obligations	27,101	39,966
0742	Downward reestimate paid to receipt account	1,103	10,650
0743	Interest on downward reestimates	248	776
0791	Direct program activities, subtotal	213,397	222,763
0900	Total new obligations	214,281	223,280
Budgetary Resources:			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	1,817	3,015
1021	Recoveries of prior year unpaid obligations	17,772	19,548
1023	Unobligated balances applied to repay debt	-6,376	-3,015
1024	Unobligated balance of borrowing authority withdrawn	-12,943	-19,548
1050	Unobligated balance (total)	270	
Financing authority:			
Borrowing authority, mandatory:			
1400	Borrowing authority	193,140	197,081

1440	Borrowing authority, mandatory (total)	193,140	197,081	196,584
Spending authority from offsetting collections, mandatory:				
1800	Collected	36,434	45,224	58,504
1825	Spending authority from offsetting collections applied to repay debt	-12,548	-19,025	-27,011
1850	Spending auth from offsetting collections, mand (total)	23,886	26,199	31,493
1900	Financing authority (total)	217,026	223,280	228,077
1930	Total budgetary resources available	217,296	223,280	228,077
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	3,015		

Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	77,058	86,010	86,600
3010	Obligations incurred, unexpired accounts	214,281	223,280	228,077
3020	Financing disbursements (gross)	-187,557	-203,142	-207,738
3040	Recoveries of prior year unpaid obligations, unexpired	-17,772	-19,548	-21,503
3050	Unpaid obligations, end of year	86,010	86,600	85,436
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	77,058	86,010	86,600
3200	Obligated balance, end of year	86,010	86,600	85,436

Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	217,026	223,280	228,077
Financing disbursements:				
4110	Financing disbursements, gross	187,557	203,142	207,738
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Upward reestimate	-6,614	-2,377	
4120	Upward reestimate, interest	-303	-897	
4120	Civil legal assistance attorney repayment program	-1		
4122	Interest on uninvested funds	-4,265		
4123	Repayment of principal, Stafford	-4,755	-7,651	-10,887
4123	Interest received on loans, Stafford	-834	-1,205	-1,880
4123	Origination Fees, Stafford	-554	-276	-291
4123	Other fees, Stafford	-31		
4123	Repayment of principal, Unsubsidized Stafford	-5,664	-9,722	-14,700
4123	Interest received on loans, Unsubsidized Stafford	-1,171	-1,876	-3,359
4123	Origination Fees, Unsubsidized Stafford	-761	-563	-617
4123	Other fees, Unsubsidized Stafford	-22		
4123	Repayment of principal, PLUS	-3,266	-5,103	-7,105
4123	Interest received on loans, PLUS	-950	-1,820	-2,761
4123	Origination Fees, PLUS	-270	-692	-780
4123	Other fees, PLUS	-6		
4123	Payment of principal, Consolidation	-4,388	-9,554	-11,581
4123	Interest received on loans, Consolidation	-2,525	-3,488	-4,543
4123	Other fees, Consolidation	-54		
4130	Offsets against gross financing auth and disbursements (total)	-36,434	-45,224	-58,504
4160	Financing authority, net (mandatory)	180,592	178,056	169,573
4170	Financing disbursements, net (mandatory)	151,123	157,918	149,234
4180	Financing authority, net (total)	180,592	178,056	169,573
4190	Financing disbursements, net (total)	151,123	157,918	149,234

Status of Direct Loans (in millions of dollars)

Identification code 91-4253-0-3-502	2012 actual	2013 CR	2014 est.
STAFFORD			
Position with respect to appropriations act limitation on obligations:			
1131	Direct loan obligations exempt from limitation	38,719	32,122
1150	Total direct loan obligations	38,719	32,122
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	96,590	130,879
1231	Disbursements: Direct loan disbursements	37,112	28,618
1251	Repayments: Repayments and prepayments	-4,756	-7,651
1261	Adjustments: Capitalized interest	1,491	49
1264	Write-offs for default: Other adjustments, net (+ or -)	442	-151
1290	Outstanding, end of year	130,879	151,744
UNSUBSIDIZED STAFFORD			
Position with respect to appropriations act limitation on obligations:			
1131	Direct loan obligations exempt from limitation	65,500	66,925
1150	Total direct loan obligations	65,500	66,925
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	105,150	152,643
1231	Disbursements: Direct loan disbursements	51,052	58,231

FEDERAL DIRECT STUDENT LOAN PROGRAM FINANCING ACCOUNT—Continued

Status of Direct Loans—Continued

Identification code 91–4253–0–3–502		2012 actual	2013 CR	2014 est.
1251	Repayments: Repayments and prepayments	–5,664	–9,722	–14,700
1261	Adjustments: Capitalized interest	1,624	4,491	6,877
1264	Write-offs for default: Other adjustments, net (+ or -)	481	–153	–218
1290	Outstanding, end of year	152,643	205,490	259,164
PLUS				
Position with respect to appropriations act limitation on obligations:				
1131	Direct loan obligations exempt from limitation	20,819	19,463	20,921
1150	Total direct loan obligations			
1150	Total direct loan obligations	20,819	19,463	20,921
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	35,531	51,067	64,696
1231	Disbursements: Direct loan disbursements	18,090	18,057	19,497
1251	Repayments: Repayments and prepayments	–3,266	–5,103	–7,105
1261	Adjustments: Capitalized interest	549	748	1,193
1264	Write-offs for default: Other adjustments, net (+ or -)	163	–73	–103
1290	Outstanding, end of year	51,067	64,696	78,178
CONSOLIDATION				
Position with respect to appropriations act limitation on obligations:				
1131	Direct loan obligations exempt from limitation	39,264	27,180	28,076
1150	Total direct loan obligations			
1150	Total direct loan obligations	39,264	27,180	28,076
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	104,552	138,288	155,321
1231	Disbursements: Direct loan disbursements	36,031	27,008	27,927
1251	Repayments: Repayments and prepayments	–4,388	–9,554	–11,581
1261	Adjustments: Capitalized interest	1,614	17	10
1264	Write-offs for default: Other adjustments, net (+ or -)	479	–438	–539
1290	Outstanding, end of year	138,288	155,321	171,138

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from Federal Direct Student Loans. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91–4253–0–3–502		2011 actual	2012 actual
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	17,606	23,441
Investments in US securities:			
1106	Receivables, net	101	4,347
1206	Non-Federal assets: Receivables, net	7	12
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	341,823	472,877
1402	Interest receivable	13,726	21,082
1405	Allowance for subsidy cost (-)	25,905	32,076
1499	Net present value of assets related to direct loans	381,454	526,035
1999	Total assets	399,168	553,835
LIABILITIES:			
Federal liabilities:			
2101	Accounts payable	3,307	932
2103	Debt	392,374	549,332
2201	Non-Federal liabilities: Accounts payable	3,487	3,571
2999	Total liabilities	399,168	553,835

4999	Total liabilities and net position	399,168	553,835
------	--	---------	---------

FEDERAL DIRECT STUDENT LOAN PROGRAM FINANCING ACCOUNT

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–4253–4–3–502		2012 actual	2013 CR	2014 est.
Obligations by program activity:				
Credit program obligations:				
0713	Payment of interest to Treasury		–169	–554
0740	Negative subsidy obligations		–13,825	–13,807
0900	Total new obligations		–13,994	–14,361
Budgetary Resources:				
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority		–13,825	–13,807
1440	Borrowing authority, mandatory (total)		–13,825	–13,807
Spending authority from offsetting collections, mandatory:				
1800	Collected		–24	2,427
1820	Capital transfer of spending authority from offsetting collections to general fund-MAT			–194
1825	Spending authority from offsetting collections applied to repay debt		–145	–2,787
1850	Spending auth from offsetting collections, mand (total)		–169	–554
1900	Financing authority (total)		–13,994	–14,361
1930	Total budgetary resources available		–13,994	–14,361
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1			–4,873
3010	Obligations incurred, unexpired accounts		–13,994	–14,361
3020	Financing disbursements (gross)		9,121	13,097
3050	Unpaid obligations, end of year		–4,873	–6,137
Memorandum (non-add) entries:				
3100	Obligated balance, start of year			–4,873
3200	Obligated balance, end of year		–4,873	–6,137
Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross		–13,994	–14,361
Financing disbursements:				
4110	Financing disbursements, gross		–9,121	–13,097
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Upward Modification			–2,871
4123	Repayment of principal, Stafford		–5	–2
4123	Interest received on loans, Stafford		8	51
4123	Repayment of principal, Unsubsidized Stafford		2	12
4123	Interest received on loans, Unsubsidized Stafford		12	54
4123	Repayment of principal, PLUS		–1	–25
4123	Interest received on loans, PLUS		4	82
4123	Payment of principal, Consolidation		–2	139
4123	Interest received on loans, Consolidation		6	133
4130	Offsets against gross financing auth and disbursements (total)		24	–2,427
4160	Financing authority, net (mandatory)		–13,970	–16,788
4170	Financing disbursements, net (mandatory)		–9,097	–15,524
4180	Financing authority, net (total)		–13,970	–16,788
4190	Financing disbursements, net (total)		–9,097	–15,524

Status of Direct Loans (in millions of dollars)

Identification code 91–4253–4–3–502		2012 actual	2013 CR	2014 est.
STAFFORD				
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year			1
1251	Repayments: Repayments and prepayments		–5	–2
1261	Adjustments: Capitalized interest			–44
1264	Write-offs for default: Other adjustments, net (+ or -)		6	8
1290	Outstanding, end of year		1	–37
UNSUBSIDIZED STAFFORD				
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year			2
1251	Repayments: Repayments and prepayments		2	12

1261	Adjustments: Capitalized interest		-57
1290	Outstanding, end of year	2	-43
PLUS			
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year		-1
1251	Repayments: Repayments and prepayments	-1	-25
1261	Adjustments: Capitalized interest		-8
1290	Outstanding, end of year	-1	-34
CONSOLIDATION			
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year		-1
1251	Repayments: Repayments and prepayments	-1	139
1290	Outstanding, end of year	-1	138

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT**Program and Financing** (in millions of dollars)

Identification code 91-0231-0-1-502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
Credit program obligations:			
0704	Subsidy for modifications of loan guarantees	415	
0705	Reestimates of direct loan subsidy	715	2,298
0706	Interest on reestimates of direct loan subsidy	86	306
0707	Reestimates of loan guarantee subsidy	96	151
0708	Interest on reestimates of loan guarantee subsidy	48	344
0900	Total new obligations (object class 41.0)	1,360	3,099
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200	Appropriation	1,360	3,099
1260	Appropriations, mandatory (total)	1,360	3,099
1930	Total budgetary resources available	1,360	3,099
Change in obligated balance:			
Unpaid obligations:			
3010	Obligations incurred, unexpired accounts	1,360	3,099
3020	Outlays (gross)	-1,360	-3,099
Budget authority and outlays, net:			
Mandatory:			
4090	Budget authority, gross	1,360	3,099
Outlays, gross:			
4100	Outlays from new mandatory authority	1,360	3,099
4180	Budget authority, net (total)	1,360	3,099
4190	Outlays, net (total)	1,360	3,099

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 91-0231-0-1-502	2012 actual	2013 CR	2014 est.
Direct loan upward reestimates:			
135010	Direct Participation Agreement Reestimates	1,825	
135012	Direct Standard Put Reestimates	801	779
135999	Total upward reestimate budget authority	801	2,604
Direct loan downward reestimates:			
137010	Direct Participation Agreement Reestimates	-1,621	-519
137012	Direct Standard Put Reestimates	-719	-598
137999	Total downward reestimate budget authority	-2,340	-1,117
Guaranteed loan subsidy outlays:			
234006	FFEL Guarantees	153	
234999	Total subsidy outlays	153	
Guaranteed loan upward reestimates:			
235006	FFEL Guarantees	144	494
235999	Total upward reestimate budget authority	144	494
Guaranteed loan downward reestimates:			
237006	FFEL Guarantees	-13,769	-8,825
237999	Total downward reestimate subsidy budget authority	-13,769	-8,825

As required by the Federal Credit Reform Act of 1990, this program account records the subsidy costs associated with Federal Family Education Loans (FFEL), formerly guaranteed student loans (GSL), committed in 1992 and beyond. Beginning with the 1993 cohort of loans, mandatory administrative costs, specifically contract collection costs, are included in the FFEL subsidy estimates of each year's cohort. Subsidy amounts are estimated on a net present value basis.

A description of the FFEL program and accompanying tables are included under the Federal Direct Student Loan program account.

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

(Legislative proposal, subject to PAYGO)

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 91-0231-4-1-502	2012 actual	2013 CR	2014 est.
Guaranteed loan subsidy outlays:			
234006	FFEL Guarantees		-3,657
234999	Total subsidy outlays		-3,657

FEDERAL FAMILY EDUCATION LOAN PROGRAM FINANCING ACCOUNT**Program and Financing** (in millions of dollars)

Identification code 91-4251-0-3-502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0101	Default claims	2,812	1,735
0102	Special allowance	146	35
0103	Interest benefits	1,157	445
0104	Death, disability, and bankruptcy claims	260	84
0105	Teacher loan forgiveness, other write-offs	44	110
0107	Contract collection costs	14	17
0110	Guaranty Agency account maintenance fees	37	26
0191	Subtotal, Stafford loans	4,470	2,452
0202	Default claims	2,611	1,595
0203	Special allowance	48	36
0204	Death, disability, and bankruptcy claims	237	88
0205	Teacher loan forgiveness, other write-offs	80	85
0207	Contract collection costs	10	9
0210	Guaranty Agency account maintenance fees	39	22
0291	Subtotal, Unsubsidized Stafford loans	3,025	1,835
0301	Default claims	313	208
0302	Special allowance	5	1
0304	Death, disability, and bankruptcy claims	72	41
0307	Contract Collection Costs	1	1
0310	Guaranty Agency account maintenance fees	9	8
0391	Subtotal, PLUS loans	400	259
0403	Default claims	41	
0404	Special allowance	1	
0405	Death, disability, and bankruptcy claims	4	
0407	Contract collection costs	3	1
0491	Subtotal, SLS loans	49	1
0501	Default claims	4,737	3,898
0502	Special allowance	10	98
0503	Interest benefits	467	415
0504	Death, disability, and bankruptcy claims	870	774
0505	Teacher loan forgiveness, other write-offs	34	
0507	Contract collection costs	2	12
0510	Guaranty Agency account maintenance fees	124	141
0591	Subtotal, Consolidations loans	6,244	5,338
Credit program obligations:			
0713	Payment of interest to Treasury	2,083	112
0741	Modification savings	262	
0742	Downward reestimate paid to receipt account	10,450	6,456
0743	Interest on downward reestimates	3,319	2,369
0791	Direct program activities, subtotal	16,114	8,937
0900	Total new obligations	30,302	18,822

**FEDERAL FAMILY EDUCATION LOAN PROGRAM FINANCING
ACCOUNT—Continued
Program and Financing—Continued**

Identification code 91–4251–0–3–502	2012 actual	2013 CR	2014 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	11,839	13,781	9,208
1021 Recoveries of prior year unpaid obligations	853		
1050 Unobligated balance (total)	12,692	13,781	9,208
Financing authority:			
Appropriations, mandatory:			
1200 Appropriation	35		
1260 Appropriations, mandatory (total)	35		
Borrowing authority, mandatory:			
1400 Borrowing authority	13,769		
1440 Borrowing authority, mandatory (total)	13,769		
Spending authority from offsetting collections, mandatory:			
1800 Collected	17,616	14,249	12,922
1820 Capital transfer of spending authority from offsetting collections to general fund	–29		
1850 Spending auth from offsetting collections, mand (total)	17,587	14,249	12,922
1900 Financing authority (total)	31,391	14,249	12,922
1930 Total budgetary resources available	44,083	28,030	22,130
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	13,781	9,208	13,773
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	2,455	2,275	2,275
3010 Obligations incurred, unexpired accounts	30,302	18,822	8,357
3020 Financing disbursements (gross)	–29,629	–18,822	–8,357
3040 Recoveries of prior year unpaid obligations, unexpired	–853		
3050 Unpaid obligations, end of year	2,275	2,275	2,275
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	2,455	2,275	2,275
3200 Obligated balance, end of year	2,275	2,275	2,275
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	31,391	14,249	12,922
Financing disbursements:			
4110 Financing disbursements, gross	29,629	18,822	8,357
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward reestimate	–96	–151	
4120 Interest on upward reestimate	–48	–344	
4120 Upward Modification	–415		
4122 Interest on uninvested funds	–643		
4123 Stafford recoveries on defaults	–2,592	–2,367	–2,213
4123 Stafford other fees	–101		
4123 Stafford special allowance rebate	–1,599	–905	–755
4123 Unsubsidized Stafford recoveries on default	–1,491	–1,989	–1,895
4123 Unsubsidized Stafford other fees	–82		
4123 Unsubsidized Stafford special allowance rebate	–1,856	–1,194	–1,036
4123 PLUS recoveries on defaults	–289	–206	–201
4123 PLUS other fees	–12		
4123 PLUS special allowance rebate	–690	–402	–325
4123 SLS recoveries on defaults	–30	–22	–16
4123 SLS other fees	–1		
4123 Consolidation recoveries on defaults	–3,499	–3,189	–3,330
4123 Consolidation loan holders fee	–1,993	–1,623	–1,453
4123 Consolidation other fees	–153		
4123 Consolidation special allowance rebate	–2,026	–1,857	–1,698
4130 Offsets against gross financing auth and disbursements (total)	–17,616	–14,249	–12,922
4160 Financing authority, net (mandatory)	13,775		
4170 Financing disbursements, net (mandatory)	12,013	4,573	–4,565
4180 Financing authority, net (total)	13,775		
4190 Financing disbursements, net (total)	12,013	4,573	–4,565

Status of Guaranteed Loans (in millions of dollars)

Identification code 91–4251–0–3–502	2012 actual	2013 CR	2014 est.
STAFFORD			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	55,818	46,132	40,136
2251 Repayments and prepayments	–4,418	–3,872	–3,621

Adjustments:			
2261 Terminations for default that result in loans receivable	–3,071	–1,929	–1,162
2263 Terminations for default that result in claim payments	–260	–84	–65
2264 Other adjustments, net	–1,937	–111	–103
2290 Outstanding, end of year	46,132	40,136	35,185
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	44,748	38,129	33,426
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	6,994	7,145	6,483
2331 Disbursements for guaranteed loan claims	3,071	1,929	1,162
2351 Repayments of loans receivable	–2,278	–2,367	–2,213
2361 Write-offs of loans receivable	–260	–224	–181
2364 Other adjustments, net	–382		
2390 Outstanding, end of year	7,145	6,483	5,251
UNSUBSIDIZED STAFFORD			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	58,593	49,707	42,560
2251 Repayments and prepayments	–4,638	–5,197	–4,834
Adjustments:			
2261 Terminations for default that result in loans receivable	–2,849	–1,777	–1,115
2263 Terminations for default that result in claim payments	–237	–88	–64
2264 Other adjustments, net	–1,162	–85	–83
2290 Outstanding, end of year	49,707	42,560	36,464
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	48,216	40,432	34,641
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	7,820	8,595	8,169
2331 Disbursements for guaranteed loan claims	2,849	1,777	1,115
2351 Repayments of loans receivable	–1,374	–1,989	–1,895
2361 Write-offs of loans receivable	–237	–214	–188
2364 Other adjustments, net	–463		
2390 Outstanding, end of year	8,595	8,169	7,201
PLUS			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	13,791	11,014	9,240
2251 Repayments and prepayments	–1,092	–1,505	–1,419
Adjustments:			
2261 Terminations for default that result in loans receivable	–385	–228	–151
2263 Terminations for default that result in claim payments	–72	–41	–31
2264 Other adjustments, net	–1,228		
2290 Outstanding, end of year	11,014	9,240	7,639
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	10,684	8,778	7,257
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	603	625	584
2331 Disbursements for guaranteed loan claims	385	228	151
2351 Repayments of loans receivable	–257	–206	–201
2361 Write-offs of loans receivable	–72	–63	–53
2364 Other adjustments, net	–34		
2390 Outstanding, end of year	625	584	481
SLS			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	94	80	70
2251 Repayments and prepayments	–7	–4	–2
Adjustments:			
2261 Terminations for default that result in loans receivable	–45	–6	
2263 Terminations for default that result in claim payments	–4		
2264 Other adjustments, net	42		
2290 Outstanding, end of year	80	70	68
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	77	66	64

Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	306	308	288
2331	Disbursements for guaranteed loan claims	45	6	.....
2351	Repayments of loans receivable	-22	-23	-16
2361	Write-offs of loans receivable	-4	-3	-3
2364	Other adjustments, net	-17	.....	.....
2390	Outstanding, end of year	308	288	269
CONSOLIDATION				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	198,540	183,067	165,845
2251	Repayments and prepayments	-15,716	-12,355	-11,573
Adjustments:				
2261	Terminations for default that result in loans receivable	-5,607	-4,093	-4,006
2263	Terminations for default that result in claim payments	-870	-774	-773
2264	Other adjustments, net	6,720	.....	.....
2290	Outstanding, end of year	183,067	165,845	149,493
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	177,575	157,552	142,019
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	14,067	14,876	14,950
2331	Disbursements for guaranteed loan claims	5,607	4,093	4,006
2351	Repayments of loans receivable	-3,129	-3,189	-3,330
2361	Write-offs of loans receivable	-870	-830	-822
2364	Other adjustments, net	-799	.....	.....
2390	Outstanding, end of year	14,876	14,950	14,804

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from Federal Family Education Loans (FFEL), formerly guaranteed student loans (GSL), committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91-4251-0-3-502	2011 actual	2012 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	13,920	15,682
Investments in US securities:		
1106 Receivables, net	333	695
1206 Non-Federal assets: Receivables, net	115	72
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross	29,790	31,549
1502 Interest receivable	4,236	4,541
1505 Allowance for subsidy cost (-)	-5,400	-6,446
1599 Net present value of assets related to defaulted guaranteed loans	28,626	29,644
1999 Total assets	42,994	46,093
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	3,192	1,664
2103 Debt	29,485	43,254
Non-Federal liabilities:		
2201 Accounts payable	333	162
2204 Liabilities for loan guarantees	9,984	1,013
2999 Total liabilities	42,994	46,093
4999 Total liabilities and net position	42,994	46,093

FEDERAL FAMILY EDUCATION LOAN PROGRAM FINANCING ACCOUNT (Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-4251-4-3-502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
Credit program obligations:			
0713 Payment of interest to Treasury	51

0741	Modification savings .....	.....	.....	3,657
0900	Total new obligations .....	.....	.....	3,708
Budgetary Resources:				
Financing authority:				
Appropriations, mandatory:				
1200	Appropriation-Positive MAT .....	.....	.....	528
1260	Appropriations, mandatory (total) .....	.....	.....	528
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	.....	.....	2
1850	Spending auth from offsetting collections, mand (total) .....	.....	.....	2
1900	Financing authority (total) .....	.....	.....	530
1930	Total budgetary resources available .....	.....	.....	530
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	.....	.....	-3,178
Change in obligated balance:				
Unpaid obligations:				
3010	Obligations incurred, unexpired accounts .....	.....	.....	3,708
3020	Financing disbursements (gross) .....	.....	.....	-3,708
Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross .....	.....	.....	530
Financing disbursements:				
4110	Financing disbursements, gross .....	.....	.....	3,708
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4123	Stafford special allowance rebate .....	.....	.....	-1
4123	Unsubsidized Stafford special allowance rebate .....	.....	.....	-1
4130	Offsets against gross financing auth and disbursements (total) .....	.....	.....	-2
4160	Financing authority, net (mandatory) .....	.....	.....	528
4170	Financing disbursements, net (mandatory) .....	.....	.....	3,706
4180	Financing authority, net (total) .....	.....	.....	528
4190	Financing disbursements, net (total) .....	.....	.....	3,706

TEMPORARY STUDENT LOAN PURCHASE AUTHORITY FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4453-0-3-502		2012 actual	2013 CR	2014 est.
Obligations by program activity:				
0006	Contract collection costs	14	58	83
Credit program obligations:				
0713	Payment of interest to Treasury	2,471	2,873	2,717
0742	Downward reestimate paid to receipt account	1,491	474	.....
0743	Interest on downward reestimates	130	45	.....
0791	Direct program activities, subtotal	4,092	3,392	2,717
0900	Total new obligations	4,106	3,450	2,800
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	1,021	576	.....
1023	Unobligated balances applied to repay debt	-1,021	-576	.....
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority	1,621	519	.....
1440	Borrowing authority, mandatory (total)	1,621	519	.....
Spending authority from offsetting collections, mandatory:				
1800	Collected	5,671	9,702	7,631
1825	Spending authority from offsetting collections applied to repay debt	-2,610	-6,771	-4,831
1850	Spending auth from offsetting collections, mand (total)	3,061	2,931	2,800
1900	Financing authority (total)	4,682	3,450	2,800
1930	Total budgetary resources available	4,682	3,450	2,800
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	576	.....	.....

Change in obligated balance:

Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	11,652	11,652	11,652
3010	Obligations incurred, unexpired accounts	4,106	3,450	2,800
3020	Financing disbursements (gross)	-4,106	-3,450	-2,800

**TEMPORARY STUDENT LOAN PURCHASE AUTHORITY FINANCING
ACCOUNT—Continued**
Program and Financing—Continued

Identification code 91-4453-0-3-502	2012 actual	2013 CR	2014 est.
3050 Unpaid obligations, end of year	11,652	11,652	11,652
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	11,652	11,652	11,652
3200 Obligated balance, end of year	11,652	11,652	11,652
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	4,682	3,450	2,800
Financing disbursements:			
4110 Financing disbursements, gross	4,106	3,450	2,800
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward reestimate		-1,607	
4120 Upward reestimate interest		-218	
4122 Interest on uninvested funds	-237		
4123 Principal repayments	-4,264	-6,530	-6,167
4123 Interest repayments	-1,008	-1,347	-1,464
4123 Fees and other refunds	-162		
4130 Offsets against gross financing auth and disbursements (total)	-5,671	-9,702	-7,631
4160 Financing authority, net (mandatory)	-989	-6,252	-4,831
4170 Financing disbursements, net (mandatory)	-1,565	-6,252	-4,831
4180 Financing authority, net (total)	-989	-6,252	-4,831
4190 Financing disbursements, net (total)	-1,565	-6,252	-4,831

Status of Direct Loans (in millions of dollars)

Identification code 91-4453-0-3-502	2012 actual	2013 CR	2014 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	61,125	58,834	53,250
1251 Repayments: Repayments and prepayments	-4,264	-6,530	-6,167
1261 Adjustments: Capitalized interest		1,005	680
1264 Write-offs for default: Other adjustments, net (+ or -)	1,973	-59	-76
1290 Outstanding, end of year	58,834	53,250	47,687

As required by the Federal Credit Reform Act of 1990, this nonbudgetary account records all cash flows to and from the Government resulting from the participation interest program authorized under the Ensuring Continued Access to Student Loans Act of 2008. Amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91-4453-0-3-502	2011 actual	2012 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	5,546	5,101
Investments in US securities:		
1106 Receivables, net	1,075	1,822
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	61,125	58,834
1402 Interest receivable	2,993	3,143
1405 Allowance for subsidy cost (-)	8,564	8,910
1499 Net present value of assets related to direct loans	72,682	70,887
1999 Total assets	79,303	77,810
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable		518
2103 Debt	79,302	77,292
2201 Non-Federal liabilities: Accounts payable	1	
2999 Total liabilities	79,303	77,810
4999 Total liabilities and net position	79,303	77,810

STUDENT LOAN ACQUISITION ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4449-0-3-502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0005 Contract collection costs	21	35	49
Credit program obligations:			
0713 Payment of interest to Treasury	1,318	1,700	1,615
0742 Downward reestimate paid to receipt account	658	531	
0743 Interest on downward reestimates	61	67	
0791 Direct program activities, subtotal	2,037	2,298	1,615
0900 Total new obligations	2,058	2,333	1,664
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	248	1,190	
1023 Unobligated balances applied to repay debt	-248	-1,190	
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	719	598	
1440 Borrowing authority, mandatory (total)	719	598	
Spending authority from offsetting collections, mandatory:			
1800 Collected	4,517	5,569	4,671
1825 Spending authority from offsetting collections applied to repay debt	-1,988	-3,834	-3,007
1850 Spending auth from offsetting collections, mand (total)	2,529	1,735	1,664
1900 Financing authority (total)	3,248	2,333	1,664
1930 Total budgetary resources available	3,248	2,333	1,664
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1,190		

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	305	305	305
3010 Obligations incurred, unexpired accounts	2,058	2,333	1,664
3020 Financing disbursements (gross)	-2,058	-2,333	-1,664
3050 Unpaid obligations, end of year	305	305	305
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	305	305	305
3200 Obligated balance, end of year	305	305	305

Financing authority and disbursements, net:

Mandatory:			
4090 Financing authority, gross	3,248	2,333	1,664
Financing disbursements:			
4110 Financing disbursements, gross	2,058	2,333	1,664
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward reestimate	-715	-692	
4120 Upward reestimate interest	-86	-87	
4122 Interest on uninvested funds	-73		
4123 Principal repayments	-2,929	-3,982	-3,788
4123 Borrower interest repayments	-645	-808	-883
4123 Fees and other refunds	-69		
4130 Offsets against gross financing auth and disbursements (total)	-4,517	-5,569	-4,671
4160 Financing authority, net (mandatory)	-1,269	-3,236	-3,007
4170 Financing disbursements, net (mandatory)	-2,459	-3,236	-3,007
4180 Financing authority, net (total)	-1,269	-3,236	-3,007
4190 Financing disbursements, net (total)	-2,459	-3,236	-3,007

Status of Direct Loans (in millions of dollars)

Identification code 91-4449-0-3-502	2012 actual	2013 CR	2014 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	35,822	34,012	30,691
1251 Repayments: Repayments and prepayments	-2,929	-3,982	-3,788
1261 Adjustments: Capitalized interest		698	477
1264 Write-offs for default: Other adjustments, net (+ or -)	1,119	-37	-48
1290 Outstanding, end of year	34,012	30,691	27,332

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from the standard and short-term Put programs authorized under the Ensuring Continued Access to Student

Loans Act of 2008. Amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91-4449-0-3-502	2011 actual	2012 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	84	1,025
Investments in US securities:		
1106 Receivables, net	1,661	772
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	35,822	34,012
1402 Interest receivable	1,879	1,875
1405 Allowance for subsidy cost (-)	4,415	5,258
1499 Net present value of assets related to direct loans	42,116	41,145
1999 Total assets	43,861	42,942
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable		600
2103 Debt	43,860	42,342
2201 Non-Federal liabilities: Accounts payable	1	
2999 Total liabilities	43,861	42,942
4999 Total liabilities and net position	43,861	42,942

TEMPORARY STUDENT LOAN PURCHASE AUTHORITY CONDUIT FINANCING ACCOUNT**Program and Financing** (in millions of dollars)

Identification code 91-4459-0-3-502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0003 Contract collection costs	17	91	97
Credit program obligations:			
0713 Payment of interest to Treasury	90	62	63
0900 Total new obligations	107	153	160
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	79	17	86
1023 Unobligated balances applied to repay debt	-79	-17	-86
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	324	741	35,849
1825 Spending authority from offsetting collections applied to repay debt	-200	-502	-542
1850 Spending auth from offsetting collections, mand (total)	124	239	35,307
1930 Total budgetary resources available	124	239	35,307
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	17	86	35,147
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	72,638	71,634	70,930
3010 Obligations incurred, unexpired accounts	107	153	160
3020 Financing disbursements (gross)	-1,111	-857	-35,708
3050 Unpaid obligations, end of year	71,634	70,930	35,382
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	72,638	71,634	70,930
3200 Obligated balance, end of year	71,634	70,930	35,382
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	124	239	35,307
Financing disbursements:			
4110 Financing disbursements, gross	1,111	857	35,708
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122 Interest on uninvested funds	-32		
4123 Direct Conduit Fees	-156	-44	-35
4123 Principal repayments	-105	-566	-599
4123 Interest repayments	-31	-89	-103
4123 FFB Commitment Fee		-42	-34
4123 FFB principal repayment			-35,000

4123	FFB interest repayment			-78
4130	Offsets against gross financing auth and disbursements (total)	-324	-741	-35,849
4160	Financing authority, net (mandatory)	-200	-502	-542
4170	Financing disbursements, net (mandatory)	787	116	-141
4180	Financing authority, net (total)	-200	-502	-542
4190	Financing disbursements, net (total)	787	116	-141

Status of Direct Loans (in millions of dollars)

Identification code 91-4459-0-3-502	2012 actual	2013 CR	2014 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,121	2,038	2,176
1232 Disbursements: Purchase of loans assets from the public	1,004	704	35,548
1251 Repayments: Repayments and prepayments	-104	-566	-35,598
1261 Adjustments: Capitalized interest			
1264 Write-offs for default: Other adjustments, net (+ or -)	17		
1290 Outstanding, end of year	2,038	2,176	2,126

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from the asset-backed commercial paper conduit authorized under the Ensuring Continued Access to Student Loans Act of 2008. Amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91-4459-0-3-502	2011 actual	2012 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	38	22
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	1,121	2,038
1402 Interest receivable	55	133
1405 Allowance for subsidy cost (-)	-233	-440
1499 Net present value of assets related to direct loans	943	1,731
1999 Total assets	981	1,753
LIABILITIES:		
2103 Federal liabilities: Debt	963	1,734
2201 Non-Federal liabilities: Accounts payable	18	19
2999 Total liabilities	981	1,753
4999 Total liabilities and net position	981	1,753

FEDERAL FAMILY EDUCATION LOAN LIQUIDATING ACCOUNT**Program and Financing** (in millions of dollars)

Identification code 91-0230-0-1-502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0101 Interest benefits, net of origination fees	3	3	3
0103 Default claims	59	51	45
0104 Death, disability, and bankruptcy claims	5	5	4
0105 Contract collection costs	24	20	17
0191 Subtotal, Stafford loans	91	79	69
0201 Default claims	7	8	7
0202 Death, disability, and bankruptcy claims	2	2	2
0205 Contract collection costs	6	4	3
0291 Subtotal, PLUS/SLS loans	15	14	12
0900 Total new obligations	106	93	81
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	236	203	
1021 Recoveries of prior year unpaid obligations	1		
1022 Capital transfer of unobligated balances to general fund	-236	-203	
1050 Unobligated balance (total)	1		
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	496	404	325

FEDERAL FAMILY EDUCATION LOAN LIQUIDATING ACCOUNT—Continued
Program and Financing—Continued

Identification code 91–0230–0–1–502	2012 actual	2013 CR	2014 est.
1820 Capital transfer of spending authority from offsetting collections to general fund	–188	–311	–244
1850 Spending auth from offsetting collections, mand (total)	308	93	81
1900 Budget authority (total)	308	93	81
1930 Total budgetary resources available	309	93	81
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	203		
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	20	36	36
3010 Obligations incurred, unexpired accounts	106	93	81
3020 Outlays (gross)	–89	–93	–81
3040 Recoveries of prior year unpaid obligations, unexpired	–1		
3050 Unpaid obligations, end of year	36	36	36
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	20	36	36
3200 Obligated balance, end of year	36	36	36
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	308	93	81
Outlays, gross:			
4100 Outlays from new mandatory authority	89	93	81
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Fed collections on defaulted loans, stafford	–99	–112	–90
4123 Fed collections on bankruptcies, Stafford	–2	–1	–1
4123 Offsets against Federal tax refunds, Stafford	–136	–120	–97
4123 Reimbursements from guaranty agencies, Stafford	–127	–85	–68
4123 Other collections, Stafford	–32	–25	–20
4123 Federal collections on defaulted loans, PLUS/SLS	–65	–34	–27
4123 Federal collections on bankruptcies, PLUS/SLS		–1	–1
4123 Offsets against Federal tax refunds, PLUS/SLS	–8	–9	–7
4123 Reimbursements from guaranty agencies, PLUS/SLS	–27	–17	–14
4130 Offsets against gross budget authority and outlays (total)	–496	–404	–325
4160 Budget authority, net (mandatory)	–188	–311	–244
4170 Outlays, net (mandatory)	–407	–311	–244
4180 Budget authority, net (total)	–188	–311	–244
4190 Outlays, net (total)	–407	–311	–244

Status of Guaranteed Loans (in millions of dollars)

Identification code 91–0230–0–1–502	2012 actual	2013 CR	2014 est.
STAFFORD LOANS			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	692	594	537
2251 Repayments and prepayments	–19	–15	–11
Adjustments:			
2261 Terminations for default that result in loans receivable	–64	–38	–29
2263 Terminations for default that result in claim payments	–5	–4	–4
2264 Other adjustments, net	–10		
2290 Outstanding, end of year	594	537	493

Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	576	510	468

Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	5,375	4,770	4,616
2331 Disbursements for guaranteed loan claims	64	38	29
2351 Repayments of loans receivable	–244	–166	–134
2361 Write-offs of loans receivable	–5	–4	–4
2364 Other adjustments, net	–420	–22	–17
2390 Outstanding, end of year	4,770	4,616	4,490

PLUS/SLS LOANS			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	90	75	67
2251 Repayments and prepayments	–4	–4	–4
Adjustments:			
2261 Terminations for default that result in loans receivable	–9	–3	–2
2263 Terminations for default that result in claim payments	–2	–1	–2

2290 Outstanding, end of year	75	67	59
-------------------------------------	----	----	----

Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	73	63	56

Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	853	749	719
2331 Disbursements for guaranteed loan claims	9	3	2
2351 Repayments of loans receivable	–45	–28	–22
2361 Write-offs of loans receivable	–2	–2	–2
2364 Other adjustments, net	–66	–3	–2
2390 Outstanding, end of year	749	719	695

As required by the Federal Credit Reform Act of 1990, this liquidating account records, for this program, all cash flows to and from the Government resulting from guaranteed student loans committed prior to 1992. This account is shown on a cash basis. All new loan activity in this program for 1992 and beyond is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 91–0230–0–1–502	2011 actual	2012 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	256	240
1701 Defaulted guaranteed loans, gross	6,228	5,519
1702 Interest receivable	4,034	5,358
1703 Allowance for estimated uncollectible loans and interest (-)	–6,587	–8,180
1799 Value of assets related to loan guarantees	3,675	2,697
1999 Total assets	3,931	2,937
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	3,886	2,913
Non-Federal liabilities:		
2201 Accounts payable	4	
2204 Liabilities for loan guarantees	41	24
2999 Total liabilities	3,931	2,937
4999 Total liabilities and net position	3,931	2,937

Object Classification (in millions of dollars)

Identification code 91–0230–0–1–502	2012 actual	2013 CR	2014 est.
Direct obligations:			
33.0 Investments and loans	96	84	72
41.0 Grants, subsidies, and contributions	3	3	3
42.0 Insurance claims and indemnities	7	6	6
99.9 Total new obligations	106	93	81

FEDERAL PERKINS LOAN PROGRAM ACCOUNT
(Legislative proposal, subject to PAYGO)**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)**

Identification code 91–0217–4–1–502	2012 actual	2013 CR	2014 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Federal Perkins Loans			4,684
115999 Total direct loan levels			4,684
Direct loan subsidy (in percent):			
132001 Federal Perkins Loans			–30.07
132999 Weighted average subsidy rate			–30.07
Direct loan subsidy budget authority:			
133001 Federal Perkins Loans			–1,409
133999 Total subsidy budget authority			–1,409
Direct loan subsidy outlays:			
134001 Federal Perkins Loans			–673

134999 Total subsidy outlays -673

FEDERAL PERKINS LOAN FINANCING ACCOUNT
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-4574-4-3-502	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
Credit program obligations:			
0710 Direct loan obligations			4,684
0713 Payment of interest to Treasury			40
0740 Negative subsidy obligations			1,409
0900 Total new obligations			6,133
Budgetary Resources:			
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority			6,110
1440 Borrowing authority, mandatory (total)			6,110
Spending authority from offsetting collections, mandatory:			
1800 Collected			23
1850 Spending auth from offsetting collections, mand (total)			23
1900 Financing authority (total)			6,133
1930 Total budgetary resources available			6,133
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			6,133
3020 Financing disbursements (gross)			-2,951
3050 Unpaid obligations, end of year			3,182
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			3,182
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross			6,133
Financing disbursements:			
4110 Financing disbursements, gross			2,951
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4123 Payment of principal			-1
4123 Origination fees			-22
4130 Offsets against gross financing auth and disbursements (total)			-23
4160 Financing authority, net (mandatory)			6,110
4170 Financing disbursements, net (mandatory)			2,928
4180 Financing authority, net (total)			6,110
4190 Financing disbursements, net (total)			2,928

Status of Direct Loans (in millions of dollars)

Identification code 91-4574-4-3-502	2012 actual	2013 CR	2014 est.
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation			4,684
1150 Total direct loan obligations			4,684
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year			
1231 Disbursements: Direct loan disbursements			2,238
1251 Repayments: Repayments and prepayments			-1
1261 Adjustments: Capitalized interest			
1264 Write-offs for default: Other adjustments, net (+ or -)			
1290 Outstanding, end of year			2,237

of Health and Human Services. The Department of Education will assume responsibility for the program and the authority to administer, service, collect, and enforce the program. In addition, the functions, assets, and liabilities of the Secretary of Health and Human Services that are associated with the HEAL program will be permanently transferred to the Secretary of Education.

HEALTH EDUCATION ASSISTANCE LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4300-0-3-552	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
Credit program obligations:			
0711 Default claim payments on principal			12
0900 Total new obligations			12
Budgetary Resources:			
Unobligated balance:			
1011 Unobligated balance transfer from other accts [75-4304]			99
1050 Unobligated balance (total)			99
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected			6
1850 Spending auth from offsetting collections, mand (total)			6
1930 Total budgetary resources available			105
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year			93
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			12
3020 Financing disbursements (gross)			-12
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross			6
Financing disbursements:			
4110 Financing disbursements, gross			12
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122 Interest on uninvested funds			-3
4123 Non-Federal sources			-3
4130 Offsets against gross financing auth and disbursements (total)			-6
4170 Financing disbursements, net (mandatory)			6
4190 Financing disbursements, net (total)			6

Status of Guaranteed Loans (in millions of dollars)

Identification code 91-4300-0-3-552	2012 actual	2013 CR	2014 est.
Position with respect to appropriations act limitation on commitments:			
2143 Uncommitted limitation carried forward			
2150 Total guaranteed loan commitments			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			
2251 Repayments and prepayments			-16
Adjustments:			
2261 Terminations for default that result in loans receivable			-9
2263 Terminations for default that result in claim payments			-3
2264 Other adjustments, net			403
2290 Outstanding, end of year			375
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year			375

Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year			
2331 Disbursements for guaranteed loan claims			9
2351 Repayments and prepayments			-3

HEALTH EDUCATION ASSISTANCE LOANS PROGRAM ACCOUNT

Consistent with the 2013 President's Budget, in 2014, the Health Education Assistance Loan (HEAL) program will be transferred to the Department of Education from the Department

HEALTH EDUCATION ASSISTANCE LOANS FINANCING ACCOUNT—Continued
Status of Guaranteed Loans—Continued

Identification code 91–4300–0–3–552	2012 actual	2013 CR	2014 est.
2361 Write-offs of loans receivable			
2364 Other adjustments, net			184
2390 Outstanding, end of year			190

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from the Health Education Assistance Loan program. Amounts in this account are a means of financing and are not included in the budget totals.

HEALTH EDUCATION ASSISTANCE LOANS LIQUIDATING ACCOUNT**Program and Financing** (in millions of dollars)

Identification code 91–4299–0–3–552	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
Credit program obligations:			
0713 Payment of interest to Treasury			2
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation			1
1260 Appropriations, mandatory (total)			1
Spending authority from offsetting collections, mandatory:			
1800 Collected			10
1820 Capital transfer of spending authority from offsetting collections to general fund			–9
1850 Spending auth from offsetting collections, mand (total)			1
1900 Budget authority (total)			2
1930 Total budgetary resources available			2
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			2
3020 Outlays (gross)			–2
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			2
Outlays, gross:			
4100 Outlays from new mandatory authority			2
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources			–10
4180 Budget authority, net (total)			–8
4190 Outlays, net (total)			–8

Status of Guaranteed Loans (in millions of dollars)

Identification code 91–4299–0–3–552	2012 actual	2013 CR	2014 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			
2251 Repayments and prepayments			–8
Adjustments:			
2261 Terminations for default that result in loans receivable			–1
2264 Other adjustments, net			62
2290 Outstanding, end of year			53
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year			53
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year			
2331 Disbursements for guaranteed loan claims			3
2351 Repayments of loans receivable			–7
2361 Write-offs of loans receivable			–21

2364 Other adjustments, net			349
2390 Outstanding, end of year			324

As required by the Federal Credit Reform Act of 1990, this liquidating account records, for this program, all cash flows to and from the Government resulting from guaranteed HEAL loans committed prior to 1992. This account is shown on a cash basis. All loan activity in this program for 1992 and beyond is recorded in corresponding program and financing accounts.

Object Classification (in millions of dollars)

Identification code 91–4299–0–3–552	2012 actual	2013 CR	2014 est.
Direct obligations:			
33.0 Investments and loans			1
42.0 Insurance claims and indemnities			1
99.9 Total new obligations			2

INSTITUTE OF EDUCATION SCIENCES**Federal Funds**

INSTITUTE OF EDUCATION SCIENCES

For carrying out activities authorized by the Education Sciences Reform Act of 2002, the National Assessment of Educational Progress Authorization Act, section 208 of the Educational Technical Assistance Act of 2002, and section 664 of the Individuals with Disabilities Education Act, \$671,073,000, which shall remain available through September 30, 2015: Provided, That funds available to carry out section 208 of the Educational Technical Assistance Act may be used to link Statewide elementary and secondary data systems with early childhood, postsecondary, and workforce data systems, or to further develop such systems: Provided further, That up to \$25,000,000 of the funds available to carry out section 208 of the Educational Technical Assistance Act may be used for awards to public or private organizations or agencies to support activities to improve data coordination, quality, and use at the local, State, and national levels.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–1100–0–1–503	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Research, development, and dissemination	191	191	202
0002 Statistics	101	123	123
0003 Regional educational laboratories	61	87	57
0004 National Assessment	121	142	125
0005 National Assessment Governing Board	7	9	8
0006 Research in special education	50	50	60
0007 Statewide data systems	55	46	85
0008 Special education studies and evaluations	15	15	11
0100 Total direct program	601	663	671
0799 Total direct obligations	601	663	671
0801 Reimbursable program	2	2	2
0900 Total new obligations	603	665	673
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	62	69	4
1021 Recoveries of prior year unpaid obligations	13		
1050 Unobligated balance (total)	75	69	4
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	595	598	671
1130 Appropriations permanently reduced	–1		
1160 Appropriation, discretionary (total)	594	598	671

1700	Spending authority from offsetting collections, discretionary: Collected	3	2	2
1750	Spending auth from offsetting collections, disc (total)	3	2	2
1900	Budget authority (total)	597	600	673
1930	Total budgetary resources available	672	669	677
	Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	69	4	4
Change in obligated balance:				
	Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1	1,120	998	946
3010	Obligations incurred, unexpired accounts	603	665	673
3011	Obligations incurred, expired accounts	2		
3020	Outlays (gross)	-705	-717	-624
3040	Recoveries of prior year unpaid obligations, unexpired	-13		
3041	Recoveries of prior year unpaid obligations, expired	-9		
3050	Unpaid obligations, end of year	998	946	995
	Uncollected payments:			
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	-2	-2	-2
3090	Uncollected pymts, Fed sources, end of year	-2	-2	-2
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year	1,118	996	944
3200	Obligated balance, end of year	996	944	993
Budget authority and outlays, net:				
	Discretionary:			
4000	Budget authority, gross	597	600	673
	Outlays, gross:			
4010	Outlays from new discretionary authority	82	100	111
4011	Outlays from discretionary balances	623	617	513
4020	Outlays, gross (total)	705	717	624
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4030	Federal sources	-2	-2	-2
4033	Non-Federal sources	-1		
4040	Offsets against gross budget authority and outlays (total)	-3	-2	-2
4070	Budget authority, net (discretionary)	594	598	671
4080	Outlays, net (discretionary)	702	715	622
4180	Budget authority, net (total)	594	598	671
4190	Outlays, net (total)	702	715	622

Research and Statistics:

Research, development, and dissemination.—Funds support a diverse portfolio of investigator-led research and development, evaluation studies, research and development centers, and dissemination activities that provide parents, teachers, and schools with evidence-based information on effective educational practices. Funds requested in 2014 would be used to sustain and expand research and evaluation efforts on topics in early childhood, elementary, secondary, and postsecondary education.

Statistics.—Funds support the Department's statistical data collection activities, which are conducted by the National Center for Education Statistics (NCES). NCES collects, analyzes, and disseminates education statistics at all levels, from preschool through postsecondary and adult education, including statistics on international education activities. The 2014 request would allow NCES to continue its on-going portfolio of activities, including collecting and reporting information on sub-baccalaureate education and training for adults, as well as to obtain State-level Program for International Student Assessment (PISA) data and to collect student-level administrative National Post-secondary Student Aid Survey (NPSAS) data every 2 years, providing more timely information on educational costs, financial aid, enrollment, and student progress.

Regional educational laboratories.—Funds support a network of 10 regional laboratories that provide expert advice, including training and technical assistance, to help States and school districts apply proven research findings in their school improvement efforts.

Assessment.—Funds support the National Assessment of Educational Progress (NAEP) and the National Assessment Govern-

ing Board (NAGB). NAEP administers assessments to samples of students in order to gather reliable information about educational attainment in important academic areas. NAGB is responsible for formulating NAEP policy; developing student achievement levels; and selecting, consistent with the requirements of the statute, the subjects to be assessed. The request for 2014 would provide support for conducting assessments in U.S. history, civics, and geography, as well as a technology and engineering literacy assessment.

Research in special education.—Funds support research to address gaps in scientific knowledge in order to improve special education and early intervention services and results for infants, toddlers, and children with disabilities.

Statewide data systems.—Funds support competitive awards to States to foster the design, development, and implementation of longitudinal data systems. In 2014, funding would support systems that include early childhood, postsecondary, and workforce information, as well as awards to public and private agencies to improve data coordination, quality, and use at the local, State, and national levels. Funding also will support initiatives designed to improve data on whether students are prepared for postsecondary education and the workforce.

Special education studies and evaluations.—Funds support studies, evaluations, and assessments related to the implementation of the Individuals with Disabilities Education Act in order to improve special education and early intervention services and results for infants, toddlers, and children with disabilities.

Object Classification (in millions of dollars)

Identification code 91-1100-0-1-503	2012 actual	2013 CR	2014 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	1	1	1
11.3 Other than full-time permanent	1	1	1
11.9 Total personnel compensation	2	2	2
12.1 Civilian personnel benefits		1	1
25.1 Advisory and assistance services	21	30	30
25.2 Other services from non-Federal sources	217	251	238
25.5 Research and development contracts	102	123	94
25.7 Operation and maintenance of equipment	2	1	1
31.0 Equipment		2	2
41.0 Grants, subsidies, and contributions	256	253	303
99.0 Direct obligations	600	663	671
99.0 Reimbursable obligations	2	1	1
99.5 Below reporting threshold	1	1	1
99.9 Total new obligations	603	665	673

Employment Summary

Identification code 91-1100-0-1-503	2012 actual	2013 CR	2014 est.
1001 Direct civilian full-time equivalent employment	14	15	15

DEPARTMENTAL MANAGEMENT

Federal Funds

PROGRAM ADMINISTRATION

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of three passenger motor vehicles, \$463,450,000, of which \$2,000,000, to remain available until expended, shall be for relocation of, and renovation of buildings occupied by, Department staff.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112-175). The

PROGRAM ADMINISTRATION—Continued

amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Special and Trust Fund Receipts (in millions of dollars)

Identification code 91-0800-0-1-503	2012 actual	2013 CR	2014 est.
0100 Balance, start of year			
Receipts:			
0220 Contributions	1		
0400 Total: Balances and collections	1		
Appropriations:			
0500 Program Administration	-1		
0799 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 91-0800-0-1-503	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Program administration	447	449	463
0801 Reimbursable program	4	4	4
0900 Total new obligations	451	453	467
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	3	11	10
1001 Discretionary unobligated balance brought fwd, Oct 1	3	11	
1021 Recoveries of prior year unpaid obligations	8		
1050 Unobligated balance (total)	11	11	10
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	447	449	463
1130 Appropriations permanently reduced	-1		
1160 Appropriation, discretionary (total)	446	449	463
Appropriations, mandatory:			
1201 Appropriation (special or trust fund)	1		
1260 Appropriations, mandatory (total)	1		
Spending authority from offsetting collections, discretionary:			
1700 Collected	3	3	3
1701 Change in uncollected payments, Federal sources	1		
1750 Spending auth from offsetting collections, disc (total)	4	3	3
1900 Budget authority (total)	451	452	466
1930 Total budgetary resources available	462	463	476
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	11	10	9

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	139	132	137
3010 Obligations incurred, unexpired accounts	451	453	467
3011 Obligations incurred, expired accounts	2		
3020 Outlays (gross)	-445	-448	-459
3040 Recoveries of prior year unpaid obligations, unexpired	-8		
3041 Recoveries of prior year unpaid obligations, expired	-7		
3050 Unpaid obligations, end of year	132	137	145
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-1	-1	-1
3070 Change in uncollected pymts, Fed sources, unexpired	-1		
3071 Change in uncollected pymts, Fed sources, expired	1		
3090 Uncollected pymts, Fed sources, end of year	-1	-1	-1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	138	131	136
3200 Obligated balance, end of year	131	136	144

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	450	452	466
Outlays, gross:			
4010 Outlays from new discretionary authority	353	356	364
4011 Outlays from discretionary balances	90	92	95
4020 Outlays, gross (total)	443	448	459
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-3	-3	-3

Additional offsets against gross budget authority only:

4050 Change in uncollected pymts, Fed sources, unexpired	-1		
4070 Budget authority, net (discretionary)	446	449	463
4080 Outlays, net (discretionary)	440	445	456
Mandatory:			
4090 Budget authority, gross	1		
Outlays, gross:			
4100 Outlays from new mandatory authority	1		
4101 Outlays from mandatory balances	1		
4110 Outlays, gross (total)	2		
4180 Budget authority, net (total)	447	449	463
4190 Outlays, net (total)	442	445	456

The Program Administration account includes the direct Federal costs of providing grants and administering elementary and secondary education; Indian education; English language acquisition; higher education; career, technical, and adult education; special education programs; and programs for persons with disabilities. It also supports assessment, statistics, and research activities.

In addition, this account includes the cost of providing centralized support and administrative services, overall policy development, and strategic planning for the Department. Included in the centralized activities are rent and mail services; telecommunications; contractual services; financial management and accounting, including payments to schools, education agencies and other grant recipients, and preparation of auditable financial statements; information technology services; personnel management; personnel security; budget formulation and execution; legal services; congressional and public relations; and intergovernmental affairs.

Included in this account is the Department of Education's cost to relocate staff and renovate buildings occupied by Department staff.

Also included in this account are contributions from the public. Activities supported include receptions for Blue Ribbon Schools and Historically Black Colleges and Universities. Contributions not designated for a specific purpose are in the account's Gifts and Bequests Miscellaneous Fund.

Reimbursable program.—Reimbursements to this account are for providing administrative services to other agencies.

Object Classification (in millions of dollars)

Identification code 91-0800-0-1-503	2012 actual	2013 CR	2014 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	194	206	209
11.3 Other than full-time permanent	28	13	13
11.5 Other personnel compensation	3	3	3
11.9 Total personnel compensation	225	222	225
12.1 Civilian personnel benefits	63	65	66
13.0 Benefits for former personnel	3		
21.0 Travel and transportation of persons	5	4	4
23.1 Rental payments to GSA	41	43	44
23.3 Communications, utilities, and miscellaneous charges	2	1	1
24.0 Printing and reproduction	1	1	1
25.1 Advisory and assistance services	3	3	3
25.2 Other services from non-Federal sources	19	23	25
25.3 Other goods and services from Federal sources	22	22	22
25.7 Operation and maintenance of equipment	60	62	67
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	2
32.0 Land and structures	1	1	2
99.0 Direct obligations	447	449	463
99.0 Reimbursable obligations	4	4	4
99.9 Total new obligations	451	453	467

Employment Summary

Identification code 91–0800–0–1–503	2012 actual	2013 CR	2014 est.
1001 Direct civilian full-time equivalent employment	2,053	2,035	2,051

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, \$107,500,000.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–0700–0–1–751	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Civil rights	103	104	108
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	103	104	108
1160 Appropriation, discretionary (total)	103	104	108
1930 Total budgetary resources available	103	104	108
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	18	17	19
3010 Obligations incurred, unexpired accounts	103	104	108
3020 Outlays (gross)	–103	–102	–106
3041 Recoveries of prior year unpaid obligations, expired	–1		
3050 Unpaid obligations, end of year	17	19	21
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	18	17	19
3200 Obligated balance, end of year	17	19	21
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	103	104	108
Outlays, gross:			
4010 Outlays from new discretionary authority	90	88	91
4011 Outlays from discretionary balances	13	14	15
4020 Outlays, gross (total)	103	102	106
4180 Budget authority, net (total)	103	104	108
4190 Outlays, net (total)	103	102	106

The Office for Civil Rights is responsible for ensuring that no person is unlawfully discriminated against on the basis of race, color, national origin, sex, disability, or age in the delivery of services or the provision of benefits in programs or activities of schools and institutions receiving financial assistance from the Department of Education. The authorities under which the Office for Civil Rights operates are Title VI of the Civil Rights Act of 1964 (racial and ethnic discrimination), Title IX of the Education Amendments of 1972 (sex discrimination), section 504 of the Rehabilitation Act of 1973 (discrimination against individuals with a disability), the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and the Boy Scouts of America Equal Access Act of 2002.

Object Classification (in millions of dollars)

Identification code 91–0700–0–1–751	2012 actual	2013 CR	2014 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	56	59	58
11.3 Other than full-time permanent	3	3	4

11.5 Other personnel compensation	1	1	
11.9 Total personnel compensation	60	63	62
12.1 Civilian personnel benefits	17	18	18
21.0 Travel and transportation of persons	1	1	1
23.1 Rental payments to GSA	8	8	9
25.2 Other services from non-Federal sources	1	2	2
25.3 Other goods and services from Federal sources	3	3	3
25.7 Operation and maintenance of equipment	13	9	13
99.9 Total new obligations	103	104	108

Employment Summary

Identification code 91–0700–0–1–751	2012 actual	2013 CR	2014 est.
1001 Direct civilian full-time equivalent employment	582	598	598

OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, as authorized by section 212 of the Department of Education Organization Act, \$62,347,000.

Note.—A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112–175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91–1400–0–1–751	2012 actual	2013 CR	2014 est.
Obligations by program activity:			
0001 Inspector General	64	60	62
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	5		
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	60	60	62
1160 Appropriation, discretionary (total)	60	60	62
1930 Total budgetary resources available	65	60	62
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	–1		
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	13	12	16
3010 Obligations incurred, unexpired accounts	64	60	62
3020 Outlays (gross)	–64	–56	–60
3041 Recoveries of prior year unpaid obligations, expired	–1		
3050 Unpaid obligations, end of year	12	16	18
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	13	12	16
3200 Obligated balance, end of year	12	16	18
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	60	60	62
Outlays, gross:			
4010 Outlays from new discretionary authority	49	47	49
4011 Outlays from discretionary balances	15	9	11
4020 Outlays, gross (total)	64	56	60
4180 Budget authority, net (total)	60	60	62
4190 Outlays, net (total)	64	56	60

The Inspector General is responsible for the quality, coverage, and coordination of audit and investigation functions relating to Federal education activities. The Inspector General has the authority to inquire into all activities of the Department, including those performed under Federal education contracts, grants, or other agreements. Under the Chief Financial Officers Act of 1990, the Inspector General is also responsible for internal reviews of

OFFICE OF INSPECTOR GENERAL—Continued
the Department's financial systems and audits of its financial statements.

Object Classification (in millions of dollars)

Identification code 91-1400-0-1-751	2012 actual	2013 CR	2014 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	28	28	29
11.3 Other than full-time permanent	2	1	1
11.5 Other personnel compensation	2		
11.9 Total personnel compensation	32	29	30
12.1 Civilian personnel benefits	11	10	11
21.0 Travel and transportation of persons	1	2	2
23.1 Rental payments to GSA	5	5	6
25.1 Advisory and assistance services	1	1	1
25.2 Other services from non-Federal sources	4	4	4
25.3 Other goods and services from Federal sources	2	2	2
25.7 Operation and maintenance of equipment	6	5	5
31.0 Equipment	1	1	
32.0 Land and structures		1	1
99.0 Direct obligations	63	60	62
99.5 Below reporting threshold	1		
99.9 Total new obligations	64	60	62

Employment Summary

Identification code 91-1400-0-1-751	2012 actual	2013 CR	2014 est.
1001 Direct civilian full-time equivalent employment	298	269	277

HURRICANE EDUCATION RECOVERY

Federal Funds

HURRICANE EDUCATION RECOVERY

Program and Financing (in millions of dollars)

Identification code 91-0013-0-1-500	2012 actual	2013 CR	2014 est.
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	24	9	1
3020 Outlays (gross)	-15	-8	
3050 Unpaid obligations, end of year	9	1	1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	24	9	1
3200 Obligated balance, end of year	9	1	1
Budget authority and outlays, net:			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances	15	8	
4190 Outlays, net (total)	15	8	

Amounts in this schedule reflect balances that are spending out from prior-year appropriations.

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2012 actual	2013 CR	2014 est.
Offsetting receipts from the public:			
91-143500 General Fund Proprietary Interest Receipts, not Otherwise Classified	6	20	20
91-271810 Federal Family Education Loan Program, Negative Subsidies	262		
Legislative proposal, subject to PAYGO			3,657
91-271830 Federal Family Education Loan Program, Downward Reestimates of Subsidies	16,109	9,942	
91-274130 College Housing and Academic Facilities Loan, Downward Reestimates of Subsidies	20	198	

91-278110 Federal Direct Student Loan Program, Negative Subsidies	22,907	33,605	37,947
Legislative proposal, subject to PAYGO		-8,952	-12,543
91-278130 Federal Direct Student Loan Program, Downward Reestimates of Subsidies	1,351	11,426	
91-278310 Federal Perkins Loan, Negative Subsidies			673
91-279430 TEACH Grant Program, Downward Reestimates of Subsidies		17	
91-291500 Repayment of Loans, Capital Contributions, Higher Education Activities	25	25	25
91-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts	2	47	47
General Fund Offsetting receipts from the public	40,682	46,328	29,826
Intragovernmental payments:			
91-388500 Undistributed Intragovernmental Payments and Receivables from Cancelled Accounts	-69		
General Fund Intragovernmental payments	-69		

GENERAL PROVISIONS

SEC. 301. No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 302. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing, or clustering. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 303. No funds appropriated in this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

(TRANSFER OF FUNDS)

SEC. 304. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985) which are appropriated for the Department of Education in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the transfer authority granted by this section shall not be used to create any new program or to fund any project or activity for which no funds are provided in this Act: Provided further, That the Committees on Appropriations of the House of Representatives and the Senate are notified at least 15 days in advance of any transfer.

SEC. 305. The Outlying Areas may consolidate funds received under this Act, pursuant to 48 U.S.C. 1469a, under part A of title V of the ESEA.

SEC. 306. Section 105(f)(1)(B)(ix) of the Compact of Free Association Amendments Act of 2003 (48 U.S.C. 1921d(f)(1)(B)(ix)) shall be applied by substituting "2014" for "2009".

SEC. 307. (a) The Secretary may reserve not more than 0.5 percent from each appropriation made available in this Act for the accounts identified in subsection (d), with the exception of the appropriation for subpart 1 of part A of title IV of the Higher Education Act of 1965, in order to carry out evaluations of any of the programs or activities that are funded under such accounts.

(b) Any funds reserved under this section shall be available for obligation through September 30, 2015.

(c) Such funds shall be in addition to any other funds available to the Secretary for evaluation.

(d) The accounts referred to in subsection (a) are: "Accelerating Achievement and Ensuring Equity", "Impact Aid", "Education Improve-

ment Programs", "Supporting Student Success", "Indian Student Education", "Innovation and Instructional Teams", "English Learner Education", "Rehabilitation Services and Disability Research", "Career, Technical, and Adult Education", "Student Financial Assistance", "Student Aid Administration", and "Higher Education."

